

108TH CONGRESS
2D SESSION

S. _____

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice and
referred to the Committee on _____

A BILL

To amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Child Nutrition and WIC Reauthorization Act of 2004”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; Table of contents.

2

TITLE I—AMENDMENTS TO RICHARD B. RUSSELL NATIONAL
SCHOOL LUNCH ACT

- Sec. 101. Nutrition promotion.
- Sec. 102. Nutrition requirements.
- Sec. 103. Provision of information.
- Sec. 104. Direct certification.
- Sec. 105. Household applications.
- Sec. 106. Duration of eligibility for free or reduced price meals.
- Sec. 107. Runaway, homeless, and migrant youth.
- Sec. 108. Exclusion of military housing allowances.
- Sec. 109. Waiver of requirement for weighted averages for nutrient analysis.
- Sec. 110. School food safety programs.
- Sec. 111. Purchases of locally produced foods.
- Sec. 112. Special assistance.
- Sec. 113. Food and nutrition projects integrated with elementary school curricula.
- Sec. 114. Procurement training.
- Sec. 115. Summer food service program for children.
- Sec. 116. Commodity distribution program.
- Sec. 117. Child and adult care food program.
- Sec. 118. Fruit and vegetable pilot project.
- Sec. 119. Summer food service rural transportation pilot project.
- Sec. 120. Summer food service residential camp pilot project.
- Sec. 121. Healthy school nutrition environment pilot projects.
- Sec. 122. Food service program personnel professional standards pilot project.
- Sec. 123. School garden grant pilot project.
- Sec. 124. Access to local foods.
- Sec. 125. Childhood obesity prevention pilot project.
- Sec. 126. Year round services for eligible entities.
- Sec. 127. Free lunch and breakfast expansion pilot project.
- Sec. 128. Training, technical assistance, and food service management institute.
- Sec. 129. Administrative error reduction.
- Sec. 130. Compliance and accountability.
- Sec. 131. Information clearinghouse.
- Sec. 132. Program evaluation.
- Sec. 133. Gleaning of fresh fruits and vegetables.

TITLE II—AMENDMENTS TO CHILD NUTRITION ACT OF 1966

- Sec. 201. Severe need assistance.
- Sec. 202. State administrative expenses.
- Sec. 203. World Food Prize.
- Sec. 204. Special supplemental nutrition program for women, infants, and children.
- Sec. 205. Team nutrition network.
- Sec. 206. Review of best practices in the breakfast program.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

- Sec. 301. Commodity distribution programs.

TITLE IV—IMPLEMENTATION

Sec. 401. Guidance and regulations.

Sec. 402. Effective dates.

1 **TITLE I—AMENDMENTS TO**
2 **RICHARD B. RUSSELL NA-**
3 **TIONAL SCHOOL LUNCH ACT**

4 **SEC. 101. NUTRITION PROMOTION.**

5 The Richard B. Russell National School Lunch Act
6 is amended by inserting after section 4 (42 U.S.C. 1753)
7 the following:

8 **“SEC. 5. NUTRITION PROMOTION.**

9 “(a) IN GENERAL.—Subject to the availability of
10 funds made available under subsection (g), the Secretary
11 shall make payments to State agencies for each fiscal year,
12 in accordance with this section, to promote nutrition in
13 food service programs under this Act and the school
14 breakfast program established under the Child Nutrition
15 Act of 1966 (42 U.S.C. 1771 et seq.).

16 “(b) TOTAL AMOUNT FOR EACH FISCAL YEAR.—The
17 total amount of funds available for a fiscal year for pay-
18 ments under this section shall equal not more than the
19 product obtained by multiplying—

20 “(1) ½ cent; by

21 “(2) the number of lunches reimbursed through
22 food service programs under this Act during the sec-
23 ond preceding fiscal year in schools, institutions, and

1 service institutions that participate in the food serv-
2 ice programs.

3 “(c) PAYMENTS TO STATES.—

4 “(1) ALLOCATION.—Subject to paragraph (2),
5 from the amounts of funds available under sub-
6 section (g) for a fiscal year, the Secretary shall allo-
7 cate to each State agency an amount equal to the
8 greater of—

9 “(A) a uniform base amount established by
10 the Secretary; or

11 “(B) an amount determined by the Sec-
12 retary, based on the ratio that—

13 “(i) the number of lunches reimbursed
14 through food service programs under this
15 Act in schools, institutions, and service in-
16 stitutions in the State that participate in
17 the food service programs; bears to

18 “(ii) the number of lunches reim-
19 bursed through the food service programs
20 in schools, institutions, and service institu-
21 tions in all States that participate in the
22 food service programs.

23 “(2) REDUCTIONS.—The Secretary shall reduce
24 allocations to State agencies qualifying for an alloca-
25 tion under paragraph (1)(B), in a manner deter-

1 mined by the Secretary, to the extent necessary to
2 ensure that the total amount of funds allocated
3 under paragraph (1) is not greater than the amount
4 appropriated under subsection (g).

5 “(d) USE OF PAYMENTS.—

6 “(1) USE BY STATE AGENCIES.—A State agen-
7 cy may reserve, to support dissemination and use of
8 nutrition messages and materials developed by the
9 Secretary, up to—

10 “(A) 5 percent of the payment received by
11 the State for a fiscal year under subsection (c);
12 or

13 “(B) in the case of a small State (as deter-
14 mined by the Secretary), a higher percentage
15 (as determined by the Secretary) of the pay-
16 ment.

17 “(2) DISBURSEMENT TO SCHOOLS AND INSTI-
18 TUTIONS.—Subject to paragraph (3), the State
19 agency shall disburse any remaining amount of the
20 payment to school food authorities and institutions
21 participating in food service programs described in
22 subsection (a) to disseminate and use nutrition mes-
23 sages and materials developed by the Secretary.

24 “(3) SUMMER FOOD SERVICE PROGRAM FOR
25 CHILDREN.—In addition to any amounts reserved

1 under paragraph (1), in the case of the summer food
2 service program for children established under sec-
3 tion 13, the State agency may—

4 “(A) retain a portion of the funds made
5 available under subsection (c) (as determined
6 by the Secretary); and

7 “(B) use the funds, in connection with the
8 program, to disseminate and use nutrition mes-
9 sages and materials developed by the Secretary.

10 “(e) DOCUMENTATION.—A State agency, school food
11 authority, and institution receiving funds under this sec-
12 tion shall maintain documentation of nutrition promotion
13 activities conducted under this section.

14 “(f) REALLOCATION.—The Secretary may reallocate,
15 to carry out this section, any amounts made available to
16 carry out this section that are not obligated or expended,
17 as determined by the Secretary.

18 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
19 are authorized to be appropriated such sums as are nec-
20 essary to carry out this section, to remain available until
21 expended.”.

22 **SEC. 102. NUTRITION REQUIREMENTS.**

23 Section 9(a) of the Richard B. Russell National
24 School Lunch Act (42 U.S.C. 1758(a)) is amended by
25 striking paragraph (2) and inserting the following:

1 “(2) FLUID MILK.—

2 “(A) IN GENERAL.—Lunches served by
3 schools participating in the school lunch pro-
4 gram under this Act—

5 “(i) shall offer students fluid milk in
6 a variety of fat contents;

7 “(ii) may offer students flavored and
8 unflavored fluid milk and lactose-free fluid
9 milk; and

10 “(iii) shall provide a substitute for
11 fluid milk for students whose disability re-
12 stricts their diet, on receipt of a written
13 statement from a licensed physician that
14 identifies the disability that restricts the
15 student’s diet and that specifies the sub-
16 stitute for fluid milk.

17 “(B) SUBSTITUTES.—

18 “(i) STANDARDS FOR SUBSTI-
19 TUTION.—A school may substitute for the
20 fluid milk provided under subparagraph
21 (A), a nondairy beverage that is nutrition-
22 ally equivalent to fluid milk and meets nu-
23 tritional standards established by the Sec-
24 retary (which shall, among other require-
25 ments to be determined by the Secretary,

1 include fortification of calcium, protein, vi-
2 tamin A, and vitamin D to levels found in
3 cow's milk) for students who cannot con-
4 sume fluid milk because of a medical or
5 other special dietary need other than a dis-
6 ability described in subparagraph (A)(iii).

7 “(ii) NOTICE.—The substitutions may
8 be made if the school notifies the State
9 agency that the school is implementing a
10 variation allowed under this subparagraph,
11 and if the substitution is requested by
12 written statement of a medical authority or
13 by a student's parent or legal guardian
14 that identifies the medical or other special
15 dietary need that restricts the student's
16 diet, except that the school shall not be re-
17 quired to provide beverages other than bev-
18 erages the school has identified as accept-
19 able substitutes.

20 “(iii) EXCESS EXPENSES BORNE BY
21 SCHOOL DISTRICT.—Expenses incurred in
22 providing substitutions under this subpara-
23 graph that are in excess of expenses cov-
24 ered by reimbursements under this Act
25 shall be paid by the school district.

1 “(C) RESTRICTIONS ON SALE OF MILK
2 PROHIBITED.—A school or institution that par-
3 ticipates in the school lunch program under this
4 Act shall not directly or indirectly restrict the
5 sale or marketing of fluid milk products by the
6 school (or by a person approved by the school)
7 at any time or any place—

8 “(i) on the school premises; or

9 “(ii) at any school-sponsored event.”.

10 **SEC. 103. PROVISION OF INFORMATION.**

11 Section 9(a) of the Richard B. Russell National
12 School Lunch Act (42 U.S.C. 1758(a)) is amended by add-
13 ing at the end the following:

14 “(4) PROVISION OF INFORMATION.—The Sec-
15 retary shall ensure that States and school food au-
16 thorities administer school nutrition programs under
17 this Act and the Child Nutrition Act of 1966 (42
18 U.S.C. 1771 et seq.) in a manner that reflects con-
19 sumption recommendations—

20 “(A) specified in the Dietary Guidelines for
21 Americans; and

22 “(B) at the option of the Secretary, based
23 on other recent scientifically valid informa-
24 tion.”.

1 **SEC. 104. DIRECT CERTIFICATION.**

2 (a) IN GENERAL.—Section 9(b) of the Richard B.
3 Russell National School Lunch Act (42 U.S.C. 1758(b))
4 is amended—

5 (1) by redesignating paragraphs (3) through
6 (7) as paragraphs (9) through (13), respectively;
7 and

8 (2) in paragraph (2)—

9 (A) in subparagraph (B)—

10 (i) by striking “(B) Applications” and
11 inserting the following:

12 “(B) APPLICATIONS AND DESCRIPTIVE MA-
13 TERIAL.—

14 “(i) IN GENERAL.—Applications”;

15 (ii) in the second sentence, by striking
16 “Such forms and descriptive materials”
17 and inserting the following:

18 “(ii) INCOME ELIGIBILITY GUIDE-
19 LINES.—Forms and descriptive materials
20 distributed in accordance with clause (i)”;
21 and

22 (iii) by adding at the end the fol-
23 lowing:

24 “(iii) CONTENTS OF DESCRIPTIVE MA-
25 TERIALS.—

1 “(I) IN GENERAL.—Descriptive
2 materials distributed in accordance
3 with clause (i) shall contain a notifica-
4 tion that—

5 “(aa) participants in the
6 programs listed in subclause (II)
7 may be eligible for free or re-
8 duced price meals; and

9 “(bb) documentation may be
10 requested for verification of eligi-
11 bility for free or reduced price
12 meals.

13 “(II) PROGRAMS.—The programs
14 referred to in subclause (I)(aa) are—

15 “(aa) the special supple-
16 mental nutrition program for
17 women, infants, and children es-
18 tablished by section 17 of the
19 Child Nutrition Act of 1966 (42
20 U.S.C. 1786);

21 “(bb) the food stamp pro-
22 gram established under the Food
23 Stamp Act of 1977 (7 U.S.C.
24 2011 et seq.);

1 “(cc) the food distribution
2 program on Indian reservations
3 established under section 4(b) of
4 the Food Stamp Act of 1977 (7
5 U.S.C. 2013(b)); and

6 “(dd) a State program fund-
7 ed under the program of block
8 grants to States for temporary
9 assistance for needy families es-
10 tablished under part A of title IV
11 of the Social Security Act (42
12 U.S.C. 601 et seq.).”;

13 (B) by striking “(C)(i)” and inserting
14 “(3)”; and

15 (C) by striking clause (ii) of subparagraph
16 (C) (as it existed before the amendment made
17 by subparagraph (B)) and all that follows and
18 inserting the following:

19 “(4) DIRECT CERTIFICATION FOR CHILDREN IN
20 FOOD STAMP HOUSEHOLDS.—

21 “(A) IN GENERAL.—Subject to subpara-
22 graph (D), each State agency shall enter into
23 an agreement with the State agency conducting
24 eligibility determinations for the food stamp

1 program established under the Food Stamp Act
2 of 1977 (7 U.S.C. 2011 et seq.).

3 “(B) PROCEDURES.—Subject to paragraph
4 (6), the agreement shall establish procedures
5 under which a child who is a member of a
6 household receiving assistance under the food
7 stamp program shall be certified as eligible for
8 free meals under this Act, without further ap-
9 plication.

10 “(C) CERTIFICATION.—Subject to para-
11 graph (6), under the agreement, the school food
12 authority conducting eligibility determinations
13 for a school meal program conducted under this
14 Act shall certify a child who is a member of a
15 household receiving assistance under the food
16 stamp program as eligible for free meals under
17 this Act, without further application.

18 “(D) APPLICABILITY.—This paragraph ap-
19 plies to—

20 “(i) in the case of the school year be-
21 ginning July 2006, a school district that
22 had an enrollment of 25,000 students or
23 more in the preceding school year;

24 “(ii) in the case of the school year be-
25 ginning July 2007, a school district that

1 had an enrollment of 10,000 students or
2 more in the preceding school year; and
3 “(iii) in the case of the school year be-
4 ginning July 2008 and each subsequent
5 school year, each school food authority.”.

6 (b) ADMINISTRATION.—

7 (1) IN GENERAL.—Section 9(b) of the Richard
8 B. Russell National School Lunch Act (42 U.S.C.
9 1758(b)) (as amended by subsection (a)) is amended
10 by inserting after paragraph (4) the following:

11 “(5) DISCRETIONARY CERTIFICATION.—

12 “(A) IN GENERAL.—Subject to paragraph
13 (6), any school food authority may certify any
14 child as eligible for free lunches or breakfasts,
15 without further application, by directly commu-
16 nicating with the appropriate State or local
17 agency to obtain documentation of the status of
18 the child as—

19 “(i) a member of a family that is re-
20 ceiving assistance under the temporary as-
21 sistance for needy families program funded
22 under part A of title IV of the Social Secu-
23 rity Act (42 U.S.C. 601 et seq.) that the
24 Secretary determines complies with stand-
25 ards established by the Secretary that en-

1 sure that the standards under the State
2 program are comparable to or more re-
3 strictive than those in effect on June 1,
4 1995;

5 “(ii) a homeless child or youth (de-
6 fined as 1 of the individuals described in
7 section 725(2) of the McKinney-Vento
8 Homeless Assistance Act (42 U.S.C.
9 11434a(2));

10 “(iii) served by the runaway and
11 homeless youth grant program established
12 under title III of the Runaway and Home-
13 less Youth Act (42 U.S.C. 5701 et seq.);
14 or

15 “(iv) a migratory child (as defined in
16 section 1309 of the Elementary and Sec-
17 ondary Education Act of 1965 (20 U.S.C.
18 6399)).”.

19 “(B) CHILDREN OF HOUSEHOLDS RECEIV-
20 ING FOOD STAMPS.—Subject to paragraph (6),
21 any school food authority may certify any child
22 as eligible for free lunches or breakfasts, with-
23 out further application, by directly commu-
24 nicating with the appropriate State or local
25 agency to obtain documentation of the status of

1 the child as a member of a household that is re-
2 ceiving food stamps under the Food Stamp Act
3 of 1977 (7 U.S.C. 2011 et seq.).

4 “(6) USE OR DISCLOSURE OF INFORMATION.—

5 “(A) IN GENERAL.—The use or disclosure
6 of any information obtained from an application
7 for free or reduced price meals, or from a State
8 or local agency referred to in paragraph (3)(F),
9 (4), or (5), shall be limited to—

10 “(i) a person directly connected with
11 the administration or enforcement of this
12 Act or the Child Nutrition Act of 1966 (42
13 U.S.C. 1771 et seq.) (including a regula-
14 tion promulgated under either Act);

15 “(ii) a person directly connected with
16 the administration or enforcement of—

17 “(I) a Federal education pro-
18 gram;

19 “(II) a State health or education
20 program administered by the State or
21 local educational agency (other than a
22 program carried out under title XIX
23 or XXI of the Social Security Act (42
24 U.S.C. 1396 et seq.; 42 U.S.C.
25 1397aa et seq.)); or

1 “(III) a Federal, State, or local
2 means-tested nutrition program with
3 eligibility standards comparable to the
4 program under this section;

5 “(iii)(I) the Comptroller General of
6 the United States for audit and examina-
7 tion authorized by any other provision of
8 law; and

9 “(II) notwithstanding any other provi-
10 sion of law, a Federal, State, or local law
11 enforcement official for the purpose of in-
12 vestigating an alleged violation of any pro-
13 gram covered by this paragraph or para-
14 graph (3)(F), (4), or (5);

15 “(iv) a person directly connected with
16 the administration of the State medicaid
17 program under title XIX of the Social Se-
18 curity Act (42 U.S.C. 1396 et seq.) or the
19 State children’s health insurance program
20 under title XXI of that Act (42 U.S.C.
21 1397aa et seq.) solely for the purpose of
22 identifying children eligible for benefits
23 under, and enrolling children in, those pro-
24 grams, except that this clause shall apply

1 only to the extent that the State and the
2 school food authority so elect; and

3 “(v) a third party contractor de-
4 scribed in paragraph (3)(G)(iii).

5 “(B) LIMITATION ON INFORMATION PRO-
6 VIDED.—Information provided under clause (ii)
7 or (v) of subparagraph (A) shall be limited to
8 the income eligibility status of the child for
9 whom application for free or reduced price meal
10 benefits is made or for whom eligibility infor-
11 mation is provided under paragraph (3)(F), (4),
12 or (5), unless the consent of the parent or
13 guardian of the child for whom application for
14 benefits was made is obtained.

15 “(C) CRIMINAL PENALTY.—A person de-
16 scribed in subparagraph (A) who publishes, di-
17 vulges, discloses, or makes known in any man-
18 ner, or to any extent not authorized by Federal
19 law (including a regulation), any information
20 obtained under this subsection shall be fined
21 not more than \$1,000 or imprisoned not more
22 than 1 year, or both.

23 “(D) REQUIREMENTS FOR WAIVER OF
24 CONFIDENTIALITY.—A State that elects to exer-
25 cise the option described in subparagraph

1 (A)(iv) shall ensure that any school food au-
2 thority acting in accordance with that option—

3 “(i) has a written agreement with 1 or
4 more State or local agencies administering
5 health programs for children under titles
6 XIX and XXI of the Social Security Act
7 (42 U.S.C. 1396 et seq. and 1397aa et
8 seq.) that requires the health agencies to
9 use the information obtained under sub-
10 paragraph (A) to seek to enroll children in
11 those health programs; and

12 “(ii)(I) notifies each household, the
13 information of which shall be disclosed
14 under subparagraph (A), that the informa-
15 tion disclosed will be used only to enroll
16 children in health programs referred to in
17 subparagraph (A)(iv); and

18 “(II) provides each parent or guard-
19 ian of a child in the household with an op-
20 portunity to elect not to have the informa-
21 tion disclosed.

22 “(E) USE OF DISCLOSED INFORMATION.—
23 A person to which information is disclosed
24 under subparagraph (A)(iv) shall use or disclose
25 the information only as necessary for the pur-

1 pose of enrolling children in health programs
2 referred to in subparagraph (A)(iv).

3 “(7) FREE AND REDUCED PRICE POLICY
4 STATEMENT.—

5 “(A) IN GENERAL.—After the initial sub-
6 mission, a school food authority shall not be re-
7 quired to submit a free and reduced price policy
8 statement to a State educational agency under
9 this Act unless there is a substantive change in
10 the free and reduced price policy of the school
11 food authority.

12 “(B) ROUTINE CHANGE.—A routine
13 change in the policy of a school food authority
14 (such as an annual adjustment of the income
15 eligibility guidelines for free and reduced price
16 meals) shall not be sufficient cause for requir-
17 ing the school food authority to submit a policy
18 statement.

19 “(8) COMMUNICATIONS.—

20 “(A) IN GENERAL.—Any communication
21 with a household under this subsection or sub-
22 section (d) shall be in an understandable and
23 uniform format and, to the extent practicable,
24 in a language that parents and legal guardians
25 can understand.

1 “(B) ELECTRONIC AVAILABILITY.—In ad-
2 dition to the distribution of applications and de-
3 scriptive material in paper form as provided for
4 in this paragraph, the applications and material
5 may be made available electronically via the
6 Internet.”.

7 (2) AGREEMENT FOR DIRECT CERTIFICATION
8 AND COOPERATION.—Section 11 of the Food Stamp
9 Act of 1977 (7 U.S.C. 2020) is amended by adding
10 at the end the following:

11 “(u) AGREEMENT FOR DIRECT CERTIFICATION AND
12 COOPERATION.—

13 “(1) IN GENERAL.—Each State agency shall
14 enter into an agreement with the State agency ad-
15 ministering the school lunch program established
16 under the Richard B. Russell National School Lunch
17 Act (42 U.S.C. 1751 et seq.).

18 “(2) CONTENTS.—The agreement shall estab-
19 lish procedures that ensure that—

20 “(A) any child receiving benefits under this
21 Act shall be certified as eligible for free meals
22 under a school meal program established under
23 the Richard B. Russell National School Lunch
24 Act (42 U.S.C. 1751 et seq.) or the Child Nu-

1 trition Act of 1966 (42 U.S.C. 1771 et seq.),
2 without further application; and

3 “(B) each State agency shall cooperate in
4 carrying out paragraphs (3)(F) and (4) of sec-
5 tion 9(b) of the Richard B. Russell National
6 School Lunch Act (42 U.S.C. 1758(b)).”.

7 (c) FUNDING.—

8 (1) IN GENERAL.—On October 1, 2005, out of
9 any funds in the Treasury not otherwise appro-
10 priated, the Secretary of the Treasury shall transfer
11 to the Secretary of Agriculture to assist States in
12 carrying out the amendments contained in this sec-
13 tion and the provisions of section 9(b)(3) of the
14 Richard B. Russell National School Lunch Act (as
15 amended by section 105(a)) \$6,000,000, to remain
16 available until expended.

17 (2) RECEIPT AND ACCEPTANCE.—The Sec-
18 retary shall be entitled to receive, shall accept, and
19 shall use to assist States in carrying out the amend-
20 ments made by this section the funds transferred
21 under paragraph (1), without further appropriation.

22 (d) CONFORMING AMENDMENTS.—

23 (1) Effective July 1, 2008, paragraph (5) of
24 section 9(b) of the Richard B. Russell National

1 School Lunch Act (42 U.S.C. 1758(b)) (as added by
2 subsection (b)(1)) is amended—

3 (A) by striking subparagraph (B);

4 (B) by striking “CERTIFICATION.—” and
5 all that follows through “IN GENERAL.—” and
6 inserting “CERTIFICATION.—”; and

7 (C) by redesignating clauses (i) through
8 (iv) as subparagraphs (A) through (D), respec-
9 tively, and indenting appropriately.

10 (2) Section 9 of the Richard B. Russell Na-
11 tional School Lunch Act (42 U.S.C. 1758) (as
12 amended by subsection (a)(1)) is amended—

13 (A) in subsection (b)(12)(B), by striking
14 “paragraph (2)(C)” and inserting “this sub-
15 section”; and

16 (B) in the second sentence of subsection
17 (d)(1), by striking “subsection (b)(2)(C)” and
18 inserting “subsection (b)(3)(G)”.

19 (3) Section 11(e) of the Richard B. Russell Na-
20 tional School Lunch Act (42 U.S.C. 1759a(e)) is
21 amended in the first sentence by striking “section
22 9(b)(3)” and inserting “section 9(b)(9)”.

23 **SEC. 105. HOUSEHOLD APPLICATIONS.**

24 (a) IN GENERAL.—Section 9(b) of the Richard B.
25 Russell National School Lunch Act (42 U.S.C. 1758(b))

1 (as amended by section 104(a)) is amended by inserting
2 after paragraph (2) the following:

3 “(3) HOUSEHOLD APPLICATIONS.—

4 “(A) DEFINITION OF HOUSEHOLD APPLI-
5 CATION.—In this paragraph, the term ‘house-
6 hold application’ means an application for a
7 child of a household to receive free or reduced
8 price school lunches under this Act, or school
9 breakfasts under the Child Nutrition Act of
10 1966 (42 U.S.C. 1771 et seq.), for which an eli-
11 gibility determination is made other than under
12 paragraph (4) or (5).

13 “(B) ELIGIBILITY DETERMINATION.—An
14 eligibility determination shall be made on the
15 basis of a complete household application exe-
16 cuted by an adult member of the household or
17 in accordance with guidance issued by the Sec-
18 retary, that permits an electronic signature if
19 the application is submitted electronically and
20 that meets confidentiality standards established
21 by the Secretary.

22 “(C) CHILDREN IN HOUSEHOLD.—

23 “(i) IN GENERAL.—The household ap-
24 plication shall identify the names of each

1 child in the household for whom meal ben-
2 efits are requested.

3 “(ii) SEPARATE APPLICATIONS.—A
4 State educational agency or school food au-
5 thority may not request a separate applica-
6 tion for each child in the household.

7 “(D) VERIFICATION OF SAMPLE.—

8 “(i) DEFINITIONS.—In this subpara-
9 graph:

10 “(I) ERROR PRONE APPLICA-
11 TION.—The term ‘error prone applica-
12 tion’ means an approved household
13 application that—

14 “(aa) indicates monthly in-
15 come that is within \$100, or an
16 annual income that is within
17 \$1,200, of the income eligibility
18 limitation for free or reduced
19 price meals; or

20 “(bb) in lieu of the criteria
21 established under item (aa),
22 meets criteria established by the
23 Secretary.

24 “(II) NON-RESPONSE RATE.—
25 The term ‘non-response rate’ means

1 (in accordance with guidelines estab-
2 lished by the Secretary) the percent-
3 age of approved household applica-
4 tions for which verification informa-
5 tion has not been obtained by a school
6 food authority after attempted
7 verification under subparagraphs (F)
8 and (G).

9 “(ii) VERIFICATION OF SAMPLE.—
10 Each school year, a school food authority
11 shall verify eligibility of the children in a
12 sample of household applications approved
13 for the school year by the school food au-
14 thority, as determined by the Secretary in
15 accordance with this subsection.

16 “(iii) SAMPLE SIZE.—Except as other-
17 wise provided in this paragraph, the sam-
18 ple for a school food authority for a school
19 year shall equal the lesser of—

20 “(I) 3 percent of all applications
21 approved by the school food authority
22 for the school year, as of October 1 of
23 the school year, selected from error
24 prone applications; or

1 “(II) 3,000 error prone applica-
2 tions approved by the school food au-
3 thority for the school year, as of Octo-
4 ber 1 of the school year.

5 “(iv) ALTERNATIVE SAMPLE SIZE.—

6 “(I) IN GENERAL.—If the condi-
7 tions described in subclause (IV) are
8 met, the verification sample size for a
9 school food authority shall be the
10 sample size described in subclause (II)
11 or (III), as determined by the school
12 food authority.

13 “(II) 3,000/3 PERCENT OPTION.—
14 The sample size described in this sub-
15 clause shall be the lesser of 3,000, or
16 3 percent of, applications selected at
17 random from applications approved by
18 the school food authority for the
19 school year, as of October 1 of the
20 school year.

21 “(III) 1,000/1 PERCENT PLUS OP-
22 TION.—

23 “(aa) IN GENERAL.—The
24 sample size described in this sub-
25 clause shall be the sum of—

1 “(AA) the lesser of
2 1,000, or 1 percent of, all
3 applications approved by the
4 school food authority for the
5 school year, as of October 1
6 of the school year, selected
7 from error prone applica-
8 tions; and

9 “(BB) the lesser of
10 500, or $\frac{1}{2}$ of 1 percent of,
11 applications approved by the
12 school food authority for the
13 school year, as of October 1
14 of the school year, that pro-
15 vide a case number (in lieu
16 of income information)
17 showing participation in a
18 program described in item
19 (bb) selected from those ap-
20 proved applications that pro-
21 vide a case number (in lieu
22 of income information)
23 verifying the participation.

1 “(bb) PROGRAMS.—The pro-
2 grams described in this item
3 are—

4 “(AA) the food stamp
5 program established under
6 the Food Stamp Act of 1977
7 (7 U.S.C. 2011 et seq.);

8 “(BB) the food dis-
9 tribution program on Indian
10 reservations established
11 under section 4(b) of the
12 Food Stamp Act of 1977 (7
13 U.S.C. 2013(b)); and

14 “(CC) a State program
15 funded under the program
16 of block grants to States for
17 temporary assistance for
18 needy families established
19 under part A of title IV of
20 the Social Security Act (42
21 U.S.C. 601 et seq.) that the
22 Secretary determines com-
23 plies with standards estab-
24 lished by the Secretary that
25 ensure that the standards

1 under the State program are
2 comparable to or more re-
3 strictive than those in effect
4 on June 1, 1995.

5 “(IV) CONDITIONS.—The condi-
6 tions referred to in subclause (I) shall
7 be met for a school food authority for
8 a school year if—

9 “(aa) the nonresponse rate
10 for the school food authority for
11 the preceding school year is less
12 than 20 percent; or

13 “(bb) the school food au-
14 thority has more than 20,000
15 children approved by application
16 by the school food authority as
17 eligible for free or reduced price
18 meals for the school year, as of
19 October 1 of the school year,
20 and—

21 “(AA) the nonresponse
22 rate for the preceding school
23 year is at least 10 percent
24 below the nonresponse rate

1 for the second preceding
2 school year; or

3 “(BB) in the case of
4 the school year beginning
5 July 2005, the school food
6 authority attempts to verify
7 all approved household ap-
8 plications selected for
9 verification through use of
10 public agency records from
11 at least 2 of the programs
12 or sources of information de-
13 scribed in subparagraph
14 (F)(i).

15 “(v) ADDITIONAL SELECTED APPLICA-
16 TIONS.—A sample for a school food au-
17 thority for a school year under clauses (iii)
18 and (iv)(III) shall include the number of
19 additional randomly selected approved
20 household applications that are required to
21 comply with the sample size requirements
22 in those clauses.

23 “(E) PRELIMINARY REVIEW.—

24 “(i) IN GENERAL.—Prior to con-
25 ducting any other verification activity for

1 approved household applications selected
2 for verification, the school food authority
3 shall ensure that the initial eligibility de-
4 termination for each approved household
5 application is reviewed for accuracy by an
6 individual other than the individual making
7 the initial eligibility determination, unless
8 otherwise determined by the Secretary.

9 “(ii) CORRECT ELIGIBILITY DETER-
10 MINATION.—If the review indicates that
11 the initial eligibility determination is cor-
12 rect, the school food authority shall verify
13 the approved household application.

14 “(iii) INCORRECT ELIGIBILITY DETER-
15 MINATION.—If the review indicates that
16 the initial eligibility determination is incor-
17 rect, the school food authority shall (as de-
18 termined by the Secretary)—

19 “(I) correct the eligibility status
20 of the household;

21 “(II) notify the household of the
22 change;

23 “(III) in any case in which the
24 review indicates that the household is
25 not eligible for free or reduced-price

1 meals, notify the household of the rea-
2 son for the ineligibility and that the
3 household may reapply with income
4 documentation for free or reduced-
5 price meals; and

6 “(IV) in any case in which the
7 review indicates that the household is
8 eligible for free or reduced-price
9 meals, verify the approved household
10 application.

11 “(F) DIRECT VERIFICATION.—

12 “(i) IN GENERAL.—Subject to clauses
13 (ii) and (iii), to verify eligibility for free or
14 reduced price meals for approved house-
15 hold applications selected for verification,
16 the school food authority may (in accord-
17 ance with criteria established by the Sec-
18 retary) first obtain and use income and
19 program participation information from a
20 public agency administering—

21 “(I) the food stamp program es-
22 tablished under the Food Stamp Act
23 of 1977 (7 U.S.C. 2011 et seq.);

24 “(II) the food distribution pro-
25 gram on Indian reservations estab-

1 lished under section 4(b) of the Food
2 Stamp Act of 1977 (7 U.S.C.
3 2013(b));

4 “(III) the temporary assistance
5 for needy families program funded
6 under part A of title IV of the Social
7 Security Act (42 U.S.C. 601 et seq.);

8 “(IV) the State medicaid pro-
9 gram under title XIX of the Social
10 Security Act (42 U.S.C. 1396 et seq.);
11 or

12 “(V) a similar income-tested pro-
13 gram or other source of information,
14 as determined by the Secretary.

15 “(ii) FREE MEALS.—Public agency
16 records that may be obtained and used
17 under clause (i) to verify eligibility for free
18 meals for approved household applications
19 selected for verification shall include the
20 most recent available information (other
21 than information reflecting program par-
22 ticipation or income before the 180-day pe-
23 riod ending on the date of application for
24 free meals) that is relied on to
25 administer—

1 “(I) a program or source of in-
2 formation described in clause (i)
3 (other than clause (i)(IV)); or

4 “(II) the State plan for medical
5 assistance under title XIX of the So-
6 cial Security Act (42 U.S.C. 1396 et
7 seq.) in—

8 “(aa) a State in which the
9 income eligibility limit applied
10 under section 1902(l)(2)(C) of
11 that Act (42 U.S.C.
12 1396a(l)(2)(C)) is not more than
13 133 percent of the income official
14 poverty line described in section
15 1902(l)(2)(A) of that Act (42
16 U.S.C. 1396a(l)(2)(A)); or

17 “(bb) a State that otherwise
18 identifies households that have
19 income that is not more than 133
20 percent of the income official
21 poverty line described in section
22 1902(l)(2)(A) of that Act (42
23 U.S.C. 1396a(l)(2)(A)).

24 “(iii) REDUCED PRICE MEALS.—Pub-
25 lic agency records that may be obtained

1 and used under clause (i) to verify eligi-
2 bility for reduced price meals for approved
3 household applications selected for
4 verification shall include the most recent
5 available information (other than informa-
6 tion reflecting program participation or in-
7 come before the 180-day period ending on
8 the date of application for reduced price
9 meals) that is relied to administer—

10 “(I) a program or source of in-
11 formation described in clause (i)
12 (other than clause (i)(IV)); or

13 “(II) the State plan for medical
14 assistance under title XIX of the So-
15 cial Security Act (42 U.S.C. 1396 et
16 seq.) in—

17 “(aa) a State in which the
18 income eligibility limit applied
19 under section 1902(l)(2)(C) of
20 that Act (42 U.S.C.
21 1396a(l)(2)(C)) is not more than
22 185 percent of the income official
23 poverty line described in section
24 1902(l)(2)(A) of that Act (42
25 U.S.C. 1396a(l)(2)(A)); or

1 “(bb) a State that otherwise
2 identifies households that have
3 income that is not more than 185
4 percent of the income official
5 poverty line described in section
6 1902(l)(2)(A) of that Act (42
7 U.S.C. 1396a(l)(2)(A)).

8 “(iv) EVALUATION.—Not later than 3
9 years after the date of implementation of
10 this subparagraph, the Secretary shall
11 complete an evaluation of—

12 “(I) the effectiveness of direct
13 verification carried out under this
14 subparagraph in decreasing the por-
15 tion of the verification sample that
16 must be verified under subparagraph
17 (G) while ensuring that adequate
18 verification information is obtained;
19 and

20 “(II) the feasibility of direct
21 verification by State agencies and
22 school food authorities.

23 “(v) EXPANDED USE OF DIRECT
24 VERIFICATION.—If the Secretary deter-
25 mines that direct verification significantly

1 decreases the portion of the verification
2 sample that must be verified under sub-
3 paragraph (G) while ensuring that ade-
4 quate verification information is obtained
5 and can be conducted by most State agen-
6 cies and school food authorities, the Sec-
7 retary may require a State agency or
8 school food authority to implement direct
9 verification through 1 or more of the pro-
10 grams described in clause (i), as deter-
11 mined by the Secretary, unless the State
12 agency or school food authority dem-
13 onstrates (under criteria established by the
14 Secretary) that the State agency or school
15 food authority lacks the capacity to con-
16 duct, or is unable to implement, direct
17 verification.

18 “(G) HOUSEHOLD VERIFICATION.—

19 “(i) IN GENERAL.—Subject to para-
20 graphs (4) and (5), if an approved house-
21 hold application is not verified through the
22 use of public agency records, a school food
23 authority shall provide to the household
24 written notice that—

1 “(I) the approved household ap-
2 plication has been selected for
3 verification; and

4 “(II) the household is required to
5 submit verification information to con-
6 firm eligibility for free or reduced
7 price meals.

8 “(ii) NONCOMPLIANCE WITH
9 VERIFICATION REQUEST.—If a household
10 does not respond to a verification request,
11 a school food authority shall make at least
12 1 attempt to obtain the necessary
13 verification from the household in accord-
14 ance with guidelines and regulations pro-
15 mulgated by the Secretary.

16 “(iii) CONTRACT AUTHORITY FOR
17 SCHOOL FOOD AUTHORITIES.—A school
18 food authority may contract (under stand-
19 ards established by the Secretary) with a
20 third party to assist the school food au-
21 thority in carrying out clause (ii).

22 “(H) VERIFICATION DEADLINE.—

23 “(i) IN GENERAL.—Not later than
24 November 15 of each school year, a school
25 food authority shall complete the

1 verification activities required for the
2 school year (including followup activities).

3 “(ii) ELIGIBILITY CHANGES.—Based
4 on the verification activities, the school
5 food authority shall make appropriate
6 modifications to the eligibility determina-
7 tions made for household applications in
8 accordance with criteria established by the
9 Secretary.

10 “(I) LOCAL CONDITIONS.—In the case of a
11 natural disaster, civil disorder, strike, or other
12 local condition (as determined by the Sec-
13 retary), the Secretary may substitute alter-
14 natives for—

15 “(i) the sample size and sample selec-
16 tion criteria established under subpara-
17 graph (D); and

18 “(ii) the verification deadline estab-
19 lished under subparagraph (H).

20 “(J) INDIVIDUAL REVIEW.—In accordance
21 with criteria established by the Secretary, the
22 school food authority may, on individual
23 review—

1 “(i) decline to verify no more than 5
2 percent of approved household applications
3 selected under subparagraph (D); and
4 “(ii) replace the approved household
5 applications with other approved household
6 applications to be verified.”.

7 (b) EVALUATION FUNDING.—

8 (1) IN GENERAL.—On October 1, 2005, out of
9 any funds in the Treasury not otherwise appro-
10 priated, the Secretary of the Treasury shall transfer
11 to the Secretary of Agriculture to conduct the eval-
12 uation required by section 9(b)(3)(F)(iv) of the
13 Richard B. Russell National School Lunch Act (as
14 amended by subsection (a)) \$2,000,000, to remain
15 available until expended.

16 (2) RECEIPT AND ACCEPTANCE.—The Sec-
17 retary of Agriculture shall be entitled to receive,
18 shall accept, and shall use to carry out this section
19 the funds transferred under paragraph (1), without
20 further appropriation.

21 **SEC. 106. DURATION OF ELIGIBILITY FOR FREE OR RE-**
22 **DUCE PRICE MEALS.**

23 Paragraph (9) of section 9(b) of the Richard B. Rus-
24 sell National School Lunch Act (42 U.S.C.1758(b)) (as
25 amended by section 104(a)(1)) is amended—

1 (1) by striking “(9) Any” and inserting the fol-
2 lowing:

3 “(9) ELIGIBILITY FOR FREE AND REDUCED
4 PRICE LUNCHES.—

5 “(A) FREE LUNCHES.—Any”;

6 (2) by striking “Any” in the second sentence
7 and inserting the following:

8 “(B) REDUCED PRICE LUNCHES.—

9 “(i) IN GENERAL.—Any”;

10 (3) by striking “The” in the last sentence and
11 inserting the following:

12 “(ii) MAXIMUM PRICE.—The”; and

13 (4) by adding at the end the following:

14 “(C) DURATION.—Except as otherwise
15 specified in paragraph (3)(E), (3)(H)(ii), and
16 section 11(a), eligibility for free or reduced
17 price meals for any school year shall remain in
18 effect—

19 “(i) beginning on the date of eligi-
20 bility approval for the current school year;
21 and

22 “(ii) ending on a date during the sub-
23 sequent school year determined by the Sec-
24 retary.”.

1 **SEC. 107. RUNAWAY, HOMELESS, AND MIGRANT YOUTH.**

2 (a) CATEGORICAL ELIGIBILITY FOR FREE LUNCHESES
3 AND BREAKFASTS.—Section 9(b)(12)(A) of the Richard
4 B. Russell National School Lunch Act (as redesignated
5 by section 104(a)(1) of this Act) is amended—

6 (1) in clause (ii), by striking “or” at the end;

7 (2) in clause (iii), by striking the period at the
8 end and inserting a semicolon; and

9 (3) by adding at the end the following:

10 “(iv) a homeless child or youth (defined as
11 1 of the individuals described in section 725(2)
12 of the McKinney-Vento Homeless Assistance
13 Act (42 U.S.C. 11434a(2));

14 “(v) served by the runaway and homeless
15 youth grant program established under title III
16 of the Runaway and Homeless Youth Act (42
17 U.S.C. 5701 et seq.); or

18 “(vi) a migratory child (as defined in sec-
19 tion 1309 of the Elementary and Secondary
20 Education Act of 1965 (20 U.S.C. 6399)).”.

21 (b) DOCUMENTATION.—Section 9(d)(2) of the Rich-
22 ard B. Russell National School Lunch Act (42 U.S.C.
23 1758(d)(2)) is amended—

24 (1) in subparagraph (B), by striking “or”;

25 (2) in subparagraph (C), by striking the period
26 at the end and inserting a semicolon; and

1 (3) by inserting after subparagraph (C) the fol-
2 lowing:

3 “(D) documentation has been provided to the
4 appropriate school food authority showing that the
5 child meets the criteria specified in clauses (iv) or
6 (v) of subsection (b)(12)(A); or

7 “(E) documentation has been provided to the
8 appropriate school food authority showing the status
9 of the child as a migratory child (as defined in sec-
10 tion 1309 of the Elementary and Secondary Edu-
11 cation Act of 1965 (20 U.S.C. 6399)).”

12 (c) PARTICIPATION OF RUNAWAY AND HOMELESS
13 YOUTH ENTITIES IN CHILD AND ADULT CARE FOOD
14 PROGRAM.—Section 17(t) of the Richard B. Russell Na-
15 tional School Lunch Act (42 U.S.C. 1766(t)) is
16 amended—

17 (1) by striking “(t)” and all that follows
18 through the end of paragraph (1) and inserting the
19 following:

20 “(t) EMERGENCY SHELTERS AND RUNAWAY AND
21 HOMELESS YOUTH ENTITIES.—

22 “(1) DEFINITIONS.—In this subsection:

23 “(A) COVERED ENTITY.—The term ‘cov-
24 ered entity’ means an entity that is partici-
25 pating in the runaway and homeless youth

1 grant program established under title III of the
2 Runaway and Homeless Youth Act (42 U.S.C.
3 5701 et seq.).

4 “(B) EMERGENCY SHELTER.—The term
5 ‘emergency shelter’ means—

6 “(i) an emergency shelter (as defined
7 in section 321 of the Stewart B. McKinney
8 Homeless Assistance Act (42 U.S.C.
9 11351); or

10 “(ii) a site operated by the shelter.”;

11 (2) by inserting “and a covered entity” after
12 “emergency shelter” each place it appears in para-
13 graphs (2), (4), and (5) (other than paragraph
14 (5)(A)(i));

15 (3) in paragraph (3), by inserting “or a covered
16 entity” before the period at the end; and

17 (4) in paragraph (5)(A)(i), by inserting after
18 “emergency shelter” the following: “and to children
19 residing in a covered entity and served by the run-
20 away and homeless youth grant program established
21 under title III of the Runaway and Homeless Youth
22 Act (42 U.S.C. 5701 et seq.)”.

1 **SEC. 108. EXCLUSION OF MILITARY HOUSING ALLOW-**
2 **ANCES.**

3 Section 9(b) of the Richard B. Russell National
4 School Lunch Act (42 U.S.C. 1758(b)) (as amended by
5 section 104(a)(1)) is amended in paragraph (13) by strik-
6 ing “For each of fiscal years 2002 and 2003 and through
7 June 30, 2004, the” and inserting “The”.

8 **SEC. 109. WAIVER OF REQUIREMENT FOR WEIGHTED AVER-**
9 **AGES FOR NUTRIENT ANALYSIS.**

10 Section 9(f)(5) of the Richard B. Russell National
11 School Lunch Act (42 U.S.C. 1758(f)(5)) is amended by
12 striking “September 30, 2003” and inserting “September
13 30, 2008”.

14 **SEC. 110. SCHOOL FOOD SAFETY PROGRAMS.**

15 Section 9(h) of the Richard B. Russell National
16 School Lunch Act (42 U.S.C. 1758) is amended—

17 (1) in the subsection heading, by striking “IN-
18 SPECTIONS”; and

19 (2) by adding at the end the following:

20 “(3) SCHOOL FOOD SAFETY PROGRAM.—Each
21 school food authority shall implement a school food
22 safety program, in the preparation and service of
23 each meal served to children, that complies with a
24 hazard analysis and critical control point system es-
25 tablished by the Secretary.”.

1 **SEC. 111. PURCHASES OF LOCALLY PRODUCED FOODS.**

2 Section 9(j)(2)(A) of the Richard B. Russell National
3 School Lunch Act (42 U.S.C. 1758(j)(2)(A)) is amended
4 by striking “2007” and inserting “2008”.

5 **SEC. 112. SPECIAL ASSISTANCE.**

6 Section 11(a)(1) of the Richard B. Russell National
7 School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended by
8 inserting “or school district” after “school” each place it
9 appears in subparagraphs (C) through (E) (other than as
10 part of “school year”, “school years”, “school lunch”,
11 “school breakfast”, and “4-school-year period”).

12 **SEC. 113. FOOD AND NUTRITION PROJECTS INTEGRATED**
13 **WITH ELEMENTARY SCHOOL CURRICULA.**

14 Section 12 of the Richard B. Russell National School
15 Lunch Act (42 U.S.C. 1760) is amended by striking sub-
16 section (m).

17 **SEC. 114. PROCUREMENT TRAINING.**

18 Section 12 of the Richard B. Russell National School
19 Lunch Act (42 U.S.C. 1760) (as amended by section 113)
20 is amended by inserting after subsection (l) the following:

21 “(m) PROCUREMENT TRAINING.—

22 “(1) IN GENERAL.—Subject to the availability
23 of appropriations under paragraph (3), the Secretary
24 shall provide technical assistance and training to
25 States, State agencies, schools, and school food au-
26 thorities in the procurement of goods and services

1 for programs under this Act or the Child Nutrition
2 Act of 1966 (42 U.S.C. 1771 et seq.) (other than
3 section 17 of that Act (42 U.S.C. 1786)).

4 “(2) BUY AMERICAN TRAINING.—Activities car-
5 ried out under paragraph (1) shall include technical
6 assistance and training to ensure compliance with
7 subsection (n).

8 “(3) AUTHORIZATION OF APPROPRIATIONS.—
9 There is authorized to be appropriated to carry out
10 this subsection \$1,000,000 for each of fiscal years
11 2005 through 2008, to remain available until ex-
12 pended.”.

13 **SEC. 115. SUMMER FOOD SERVICE PROGRAM FOR CHIL-**
14 **DREN.**

15 (a) SEAMLESS SUMMER WAIVERS.—Section 13(a) of
16 the Richard B. Russell National School Lunch Act (42
17 U.S.C. 1761(a)) is amended by adding at the end the fol-
18 lowing:

19 “(8) SEAMLESS SUMMER WAIVERS.—Except as
20 otherwise determined by the Secretary, a service in-
21 stitution that is a public or private nonprofit school
22 food authority may provide summer or school vaca-
23 tion food service in accordance with applicable provi-
24 sions of law governing the school lunch program es-
25 tablished under this Act or the school breakfast pro-

1 gram established under the Child Nutrition Act of
2 1966 (42 U.S.C. 1771 et seq.).”

3 (b) SEAMLESS SUMMER REIMBURSEMENTS.—Sec-
4 tion 13(b)(1) of the Richard B. Russell National School
5 Lunch Act (42 U.S.C. 1761(b)(1)) is amended by adding
6 at the end the following:

7 “(D) SEAMLESS SUMMER REIMBURSE-
8 MENTS.—A service institution described in sub-
9 section (a)(8) shall be reimbursed for meals and
10 meal supplements in accordance with the appli-
11 cable provisions under this Act (other than sub-
12 paragraphs (A), (B), and (C) of this paragraph
13 and paragraph (4)) and the Child Nutrition Act
14 of 1966 (42 U.S.C. 1771 et seq.), as deter-
15 mined by the Secretary.”.

16 (c) RURAL AREA ELIGIBILITY PILOT PROJECT FOR
17 SUMMER FOOD SERVICE.—Section 13 of the Richard B.
18 Russell National School Lunch Act (42 U.S.C. 1761) is
19 amended by inserting after subsection (h) the following:

20 “(i) RURAL AREA ELIGIBILITY PILOT PROJECT FOR
21 SUMMER FOOD SERVICE.—

22 “(1) IN GENERAL.—For each of calendar years
23 2005 and 2006, the Secretary shall carry out a pilot
24 project in rural areas of a State selected by the Sec-
25 retary under which the threshold for determining

1 ‘areas in which poor economic conditions exist’
2 under subsection (a)(1)(C) for the project authorized
3 by this section shall be 40 percent.

4 “(2) EVALUATION.—

5 “(A) IN GENERAL.—The Secretary, acting
6 through the Administrator of the Food and Nu-
7 trition Service, shall conduct an evaluation of
8 the pilot project carried out under this sub-
9 section to assess the impact of the pilot project
10 by comparing the areas operating under the
11 pilot project to comparable areas not operating
12 under the pilot project.

13 “(B) IMPACT.—The evaluation shall assess
14 the impact of the pilot project on—

15 “(i) the number of sponsors offering
16 meals through the summer food service
17 program;

18 “(ii) the number of sites offering
19 meals through the summer food service
20 program;

21 “(iii) the geographic location of the
22 sites;

23 “(iv) services provided to eligible chil-
24 dren; and

1 “(v) other factors determined by the
2 Secretary.

3 “(C) REPORT.—Not later than January 1,
4 2008, the Secretary shall submit to the Com-
5 mittee on Education and the Workforce of the
6 House of Representatives and the Committee
7 on Agriculture, Nutrition, and Forestry of the
8 Senate a report describing the results of the
9 evaluation of the pilot project under this sub-
10 section.

11 “(D) FUNDING.—

12 “(i) IN GENERAL.—On January 1,
13 2005, out of any funds in the Treasury not
14 otherwise appropriated, the Secretary of
15 the Treasury shall transfer to the Sec-
16 retary of Agriculture to carry out this
17 paragraph \$400,000, to remain available
18 until expended.

19 “(ii) RECEIPT AND ACCEPTANCE.—
20 The Secretary shall be entitled to receive,
21 shall accept, and shall use to carry out this
22 paragraph the funds transferred under
23 clause (i), without further appropriation.”.

24 (d) REAUTHORIZATION.—Section 13(q) of the Rich-
25 ard B. Russell National School Lunch Act (42 U.S.C.

1 1761(q)) is amended by striking “June 30, 2004” and in-
2 serting “September 30, 2008”.

3 (e) SUMMER FOOD PILOT PROJECTS.—

4 (1) DEFINITION OF ELIGIBLE STATE.—Section
5 18(f) of the Richard B. Russell National School
6 Lunch Act (42 U.S.C. 1769(f)) is amended by strik-
7 ing paragraph (1) and inserting the following:

8 “(1) DEFINITION OF ELIGIBLE STATE.—In this
9 subsection, the term ‘eligible State’ means—

10 “(A) a State participating in the pilot
11 project under this subsection as of May 1,
12 2004; and

13 “(B) a State in which (based on data
14 available in April 2004)—

15 “(i) the percentage obtained by
16 dividing—

17 “(I) the sum of—

18 “(aa) the average daily num-
19 ber of children attending the
20 summer food service program in
21 the State in July 2003; and

22 “(bb) the average daily
23 number of children receiving free
24 or reduced price meals under the

1 school lunch program in the
2 State in July 2003; by

3 “(II) the average daily number of
4 children receiving free or reduced
5 price meals under the school lunch
6 program in the State in March 2003;
7 is less than

8 “(ii) 66.67 percent of the percentage
9 obtained by dividing—

10 “(I) the sum of—

11 “(aa) the average daily num-
12 ber of children attending the
13 summer food service program in
14 all States in July 2003; and

15 “(bb) the average daily
16 number of children receiving free
17 or reduced price meals under the
18 school lunch program in all
19 States in July 2003; by

20 “(II) the average daily number of
21 children receiving free or reduced
22 price meals under the school lunch
23 program in all States in March
24 2003.”.

1 (2) DURATION.—Section 18(f)(2) of the Rich-
2 ard B. Russell National School Lunch Act (42
3 U.S.C. 1769(f)(2)) is amended by striking “During
4 the period beginning October 1, 2000, and ending
5 June 30, 2004, the” and inserting “The”.

6 (3) PRIVATE NONPROFIT ORGANIZATIONS.—
7 Section 18(f)(3) of the Richard B. Russell National
8 School Lunch Act (42 U.S.C. 1769(f)(3)) is amend-
9 ed in subparagraphs (A) and (B) by striking “(other
10 than a service institution described in section
11 13(a)(7))” both places it appears.

12 **SEC. 116. COMMODITY DISTRIBUTION PROGRAM.**

13 Section 14(a) of the Richard B. Russell National
14 School Lunch Act (42 U.S.C. 1762a(a)) is amended by
15 striking “, during the period beginning July 1, 1974, and
16 ending June 30, 2004,”.

17 **SEC. 117. CHILD AND ADULT CARE FOOD PROGRAM.**

18 (a) DEFINITION OF INSTITUTION.—

19 (1) IN GENERAL.—Section 17(a)(2)(B)(i) of the
20 Richard B. Russell National School Lunch Act (42
21 U.S.C. 1766(a)(2)(B)(i)) is amended by striking
22 “during” and all that follows through “2004,”.

23 (2) CONFORMING AMENDMENT.—Section 17 of
24 the Richard B. Russell National School Lunch Act

1 (42 U.S.C. 1766) is amended by striking subsection
2 (p).

3 (b) DURATION OF DETERMINATION AS TIER I FAMIL-
4 ILY OR GROUP DAY CARE HOME.—Section
5 17(f)(3)(E)(iii) of the Richard B. Russell National School
6 Lunch Act (42 U.S.C. 1766(f)(3)(E)(iii)) is amended by
7 striking “3 years” and inserting “5 years”.

8 (c) AUDITS.—Section 17(i) of the Richard B. Russell
9 National School Lunch Act (42 U.S.C. 1766(i)) is amend-
10 ed by striking “(i) The” and inserting the following:

11 “(i) AUDITS.—

12 “(1) DISREGARDS.—

13 “(A) IN GENERAL.—Subject to subpara-
14 graph (B), in conducting management evalua-
15 tions, reviews, or audits under this section, the
16 Secretary or a State agency may disregard any
17 overpayment to an institution for a fiscal year
18 if the total overpayment to the institution for
19 the fiscal year does not exceed an amount that
20 is consistent with the disregards allowed in
21 other programs under this Act and recognizes
22 the cost of collecting small claims, as deter-
23 mined by the Secretary.

24 “(B) CRIMINAL OR FRAUD VIOLATIONS.—

25 In carrying out this paragraph, the Secretary

1 and a State agency shall not disregard any
2 overpayment for which there is evidence of a
3 violation of a criminal law or civil fraud law.

4 “(2) FUNDING.—The”.

5 (d) DURATION OF AGREEMENTS.—Section 17(j) of
6 the Richard B. Russell National School Lunch Act (42
7 U.S.C. 1766(j)) is amended—

8 (1) by striking “(j) The” and inserting the fol-
9 lowing:

10 “(j) AGREEMENTS.—

11 “(1) IN GENERAL.—The”; and

12 (2) by adding at the end the following:

13 “(2) DURATION.—An agreement under para-
14 graph (1) shall remain in effect until terminated by
15 either party to the agreement.”.

16 (e) RURAL AREA ELIGIBILITY PILOT PROJECT FOR
17 DAY CARE HOMES.—Section 17 of the Richard B. Russell
18 National School Lunch Act (42 U.S.C. 1766) (as amended
19 by subsection (a)(2)) is amended by inserting after sub-
20 section (o) the following:

21 “(p) RURAL AREA ELIGIBILITY PILOT PROJECT FOR
22 DAY CARE HOMES.—

23 “(1) DEFINITION OF DEMONSTRATION TIER I
24 FAMILY OR GROUP DAY CARE HOME.—In this sub-
25 section, the term ‘demonstration tier I family or

1 group day care home' means a family or group day
2 home that meets the definition of tier I family or
3 group day care home under subclause (I) of sub-
4 section (f)(3)(A)(ii) except that items (aa) and (bb)
5 of that subclause shall be applied by substituting '40
6 percent' for '50 percent'.

7 “(2) PILOT PROJECT.—For each of fiscal years
8 2006 and 2007, the Secretary shall conduct a pilot
9 project in rural areas of a State selected by the Sec-
10 retary under which demonstration tier I family or
11 group day care homes (as defined in paragraph (1))
12 shall be provided reimbursement under subsection
13 (f)(3) in the same manner as tier I family or group
14 day care homes (as defined in subsection
15 (f)(3)(A)(ii)(I)).

16 “(3) EVALUATION.—

17 “(A) IN GENERAL.—The Secretary, acting
18 through the Administrator of the Food and Nu-
19 trition Service, shall conduct an evaluation of
20 the pilot project carried out under this sub-
21 section to assess the impact of the pilot project
22 by comparing the areas operating under the
23 pilot project to comparable areas not operating
24 under the pilot project.

1 “(B) IMPACT.—The evaluation shall assess
2 the impact of the pilot project on—

3 “(i) the number of family or group
4 day care homes offering meals under this
5 section;

6 “(ii) the number of family or group
7 day care homes offering meals under this
8 section that are defined as tier I family or
9 group day care homes as a result of the
10 pilot project conducted under this sub-
11 section that otherwise would be defined as
12 tier II family or group day care homes
13 under subsection (f)(3)(A)(iii);

14 “(iii) the geographic location of the
15 family or group day care homes;

16 “(iv) services provided to eligible chil-
17 dren; and

18 “(v) other factors determined by the
19 Secretary.

20 “(C) REPORT.—Not later than March 31,
21 2008, the Secretary shall submit to the Com-
22 mittee on Education and the Workforce of the
23 House of Representatives and the Committee
24 on Agriculture, Nutrition, and Forestry of the
25 Senate a report describing the results of the

1 evaluation of the pilot project under this sub-
2 section.

3 “(D) FUNDING.—

4 “(i) IN GENERAL.—On October 1,
5 2005, out of any funds in the Treasury not
6 otherwise appropriated, the Secretary of
7 the Treasury shall transfer to the Sec-
8 retary of Agriculture to carry out this
9 paragraph \$400,000, to remain available
10 until expended.

11 “(ii) RECEIPT AND ACCEPTANCE.—
12 The Secretary shall be entitled to receive,
13 shall accept, and shall use to carry out this
14 paragraph the funds transferred under
15 clause (i), without further appropriation.”.

16 (f) MANAGEMENT SUPPORT.—Section 17(q)(3) of the
17 Richard B. Russell National School Lunch Act (42 U.S.C.
18 1766(q)(3)) is amended by striking “1999 through 2003”
19 and inserting “2005 and 2006”.

20 (g) AGE LIMITS.—Section 17(t)(5)(A)(i) of the Rich-
21 ard B. Russell National School Lunch Act (42 U.S.C.
22 1766(t)(5)(A)(i) is amended—

23 (1) in subclause (I)—

24 (A) by striking “12” and inserting “18”;

25 and

1 (B) by inserting “or” after the semicolon;
2 (2) by striking subclause (II); and
3 (3) by redesignating subclause (III) as sub-
4 clause (II).

5 (h) TECHNICAL AMENDMENTS.—Section 17 of the
6 Richard B. Russell National School Lunch Act (42 U.S.C.
7 1766) is amended—

8 (1) in subsection (a)(6)(B), by inserting “and
9 adult” after “child”; and

10 (2) in subsection (t)(3), by striking “subsection
11 (a)(1)” and inserting “subsection (a)(5)”.

12 (i) PAPERWORK REDUCTION.—The Secretary of Ag-
13 riculture, in conjunction with States and participating in-
14 stitutions, shall examine the feasibility of reducing paper-
15 work resulting from regulations and recordkeeping re-
16 quirements for family child care homes, child care centers,
17 and sponsoring organizations participating in the child
18 and adult care food program established under section 17
19 of the Richard B. Russell National School Lunch Act (42
20 U.S.C. 1766).

21 **SEC. 118. FRUIT AND VEGETABLE PILOT PROJECT.**

22 Section 18 of the Richard B. Russell National School
23 Lunch Act (42 U.S.C. 1769) is amended by striking sub-
24 section (g) and inserting the following:

25 “(g) FRUIT AND VEGETABLE PILOT PROJECT.—

1 “(1) IN GENERAL.—For the school year begin-
2 ning July 2004 and each subsequent school year, the
3 Secretary shall carry out a pilot project to make free
4 fresh fruits and vegetables available, to the max-
5 imum extent practicable, to—

6 “(A) 25 elementary or secondary schools in
7 each of the 4 States authorized to participate in
8 the program under this subsection on May 1,
9 2004 (referred to in this paragraph as the ‘ex-
10 isting program’);

11 “(B) 25 elementary or secondary schools
12 (as selected by the Secretary in accordance with
13 paragraph (3)) in each of 4 States (including a
14 State for which funds were allocated under the
15 program described in paragraph (3)(B)(ii)) that
16 are not participating in the existing program;
17 and

18 “(C) 25 elementary or secondary schools
19 operated on 3 Indian reservations (including the
20 reservation authorized to participate in the ex-
21 isting program), as selected by the Secretary.

22 “(2) PROGRAM.—A school participating in the
23 pilot project shall make free fresh fruits and vegeta-
24 bles available to students throughout the school day
25 in 1 or more areas designated by the school.

1 “(3) SELECTION OF SCHOOLS.—

2 “(A) IN GENERAL.—Except as provided in
3 subparagraph (B), in selecting additional
4 schools to participate in the pilot project under
5 paragraph (1)(B), the Secretary shall—

6 “(i) to the maximum extent prac-
7 ticable, ensure that the majority of schools
8 selected are those in which not less than
9 50 percent of students are eligible for free
10 or reduced price meals under this Act;

11 “(ii) solicit applications from inter-
12 ested schools that include—

13 “(I) information pertaining to
14 the percentage of students enrolled in
15 the school submitting the application
16 who are eligible for free or reduced
17 price school lunches under this Act;

18 “(II) a certification of support
19 for participation in the pilot project
20 signed by the school food manager,
21 the school principal, and the district
22 superintendent (or equivalent posi-
23 tions, as determined by the school);
24 and

1 “(III) such other information as
2 may be requested by the Secretary;
3 and

4 “(iii) for each application received, de-
5 termine whether the application is from a
6 school in which not less than 50 percent of
7 students are eligible for free or reduced
8 price meals under this Act.

9 “(B) NONAPPLICABILITY TO EXISTING
10 PARTICIPANTS.—Subparagraph (A) shall not
11 apply to a school, State, or Indian reservation
12 authorized—

13 “(i) to participate in the pilot project
14 on May 1, 2004; or

15 “(ii) to receive funding for free fruits
16 and vegetables under funds provided for
17 public health improvement under the head-
18 ing ‘DISEASE CONTROL, RESEARCH, AND
19 TRAINING’ under the heading ‘CENTERS
20 FOR DISEASE CONTROL AND PREVENTION’
21 in title II of the Departments of Labor,
22 Health and Human Services, and Edu-
23 cation, and Related Agencies Appropria-
24 tions Act, 2004 (Division E of Public Law
25 108–199; 118 Stat. 238).

1 “(4) NOTICE OF AVAILABILITY.—To be eligible
2 to participate in the pilot project under this sub-
3 section, a school shall widely publicize within the
4 school the availability of free fresh fruits and vegeta-
5 bles under the pilot project.

6 “(5) REPORTS.—

7 “(A) INTERIM REPORTS.—Not later than
8 September 30 of each of fiscal years 2005
9 through 2008, the Secretary, acting through
10 the Administrator of the Food and Nutrition
11 Service, shall submit to the Committee on Edu-
12 cation and the Workforce of the House of Rep-
13 resentatives and the Committee on Agriculture,
14 Nutrition, and Forestry of the Senate an in-
15 terim report that describes the activities carried
16 out under this subsection during the fiscal year
17 covered by the report.

18 “(B) FINAL REPORT.—Not later than De-
19 cember 31, 2008, the Secretary, acting through
20 the Administrator of the Food and Nutrition
21 Service, shall submit to the Committee on Edu-
22 cation and the Workforce of the House of Rep-
23 resentatives and the Committee on Agriculture,
24 Nutrition, and Forestry of the Senate a final

1 report that describes the results of the pilot
2 project under this subsection.

3 “(6) FUNDING.—

4 “(A) EXISTING FUNDS.—The Secretary
5 shall use to carry out this subsection any funds
6 that remain under this subsection on the day
7 before the date of enactment of this subpara-
8 graph.

9 “(B) MANDATORY FUNDS.—

10 “(i) IN GENERAL.—On October 1,
11 2004, and on each October 1 thereafter,
12 out of any funds in the Treasury not oth-
13 erwise appropriated, the Secretary of the
14 Treasury shall transfer to the Secretary of
15 Agriculture to carry out this subsection
16 \$9,000,000, to remain available until ex-
17 pended.

18 “(ii) RECEIPT AND ACCEPTANCE.—

19 The Secretary shall be entitled to receive,
20 shall accept, and shall use to carry out this
21 subsection the funds made available under
22 this subparagraph, without further appro-
23 priation.

24 “(C) AUTHORIZATION OF APPROPRIA-
25 TIONS.—In addition to any amounts made

1 available under subparagraphs (A) and (B),
2 there are authorized to be appropriated such
3 sums as are necessary to expand the pilot
4 project carried out under this subsection.

5 “(D) REALLOCATION.—The Secretary may
6 reallocate any amounts made available to carry
7 out this subsection that are not obligated or ex-
8 pended, as determined by the Secretary.”.

9 **SEC. 119. SUMMER FOOD SERVICE RURAL TRANSPOR-**
10 **TATION PILOT PROJECT.**

11 Section 18 of the Richard B. Russell National School
12 Lunch Act (42 U.S.C. 1769) is amended by adding at the
13 end the following:

14 “(h) SUMMER FOOD SERVICE RURAL TRANSPOR-
15 TATION PILOT PROJECT.—

16 “(1) IN GENERAL.—The Secretary shall carry
17 out a pilot project under which grants are provided,
18 through not more than 5 eligible State agencies se-
19 lected by the Secretary, to not more than 60 eligible
20 service institutions selected by the Secretary to in-
21 crease participation in the summer food service pro-
22 gram for children authorized by section 13 through
23 innovative approaches to limited transportation in
24 rural areas.

1 “(2) ELIGIBILITY.—To be eligible to participate
2 in the pilot project under this subsection—

3 “(A) a State agency shall—

4 “(i) submit an application to the Sec-
5 retary, in such manner as the Secretary
6 shall establish, and meet criteria estab-
7 lished by the Secretary;

8 “(ii) provide such information relating
9 to the operation and results of the pilot
10 project as the Secretary may require;

11 “(iii) provide technical assistance to
12 participating service institutions; and

13 “(iv) establish procedures that ensure
14 that service institutions making purchases
15 under this subsection meet any criteria es-
16 tablished by the Secretary and secure
17 State agency approval prior to a purchase;
18 and

19 “(B) a service institution shall—

20 “(i) agree to the terms and conditions
21 of the grant, as established by the Sec-
22 retary;

23 “(ii) provide such information relating
24 to the operation and results of the pilot
25 project as the Secretary may require; and

1 “(iii) not have a history of violations
2 of this Act or the Child Nutrition Act of
3 1966 (42 U.S.C. 1771 et seq.), as deter-
4 mined by the Secretary.

5 “(3) DURATION.—A service institution that re-
6 ceives a grant to carry out a pilot project under this
7 subsection shall conduct the project during a period
8 of 3 successive years, beginning in fiscal year 2005.

9 “(4) REPORTS.—The Secretary shall submit to
10 the Committee on Education and the Workforce of
11 the House of Representatives and the Committee on
12 Agriculture, Nutrition, and Forestry of the Senate—

13 “(A) not later than January 1, 2007, an
14 interim report that describes—

15 “(i) the use of funds made available
16 under this subsection; and

17 “(ii) any progress made by each pilot
18 project carried out under this subsection;
19 and

20 “(B) not later than January 1, 2009, a
21 final report that describes—

22 “(i) the use of funds made available
23 under this subsection;

24 “(ii) any progress made by each pilot
25 project carried out under this subsection;

1 “(iii) the impact of the pilot projects
2 on participation in the summer food serv-
3 ice program for children authorized by sec-
4 tion 13; and

5 “(iv) any recommendations by the
6 Secretary concerning the activities of the
7 service institutions receiving grants under
8 this subsection.

9 “(5) FUNDING.—

10 “(A) IN GENERAL.—Out of any funds in
11 the Treasury not otherwise appropriated, the
12 Secretary of the Treasury shall transfer to the
13 Secretary of Agriculture to carry out this
14 section—

15 “(i) on October 1, 2005, \$2,000,000;
16 and

17 “(ii) on October 1, 2006, and October
18 1, 2007, \$1,000,000.

19 “(B) RECEIPT AND ACCEPTANCE.—The
20 Secretary shall be entitled to receive, shall ac-
21 cept, and shall use to carry out this subsection
22 the funds transferred under subparagraph (A),
23 without further appropriation.

1 “(C) AVAILABILITY OF FUNDS.—Funds
2 transferred under subparagraph (A) shall re-
3 main available until expended.

4 “(D) REALLOCATION.—The Secretary may
5 reallocate any amounts made available to carry
6 out this subsection that are not obligated or ex-
7 pended, as determined by the Secretary.”.

8 **SEC. 120. SUMMER FOOD SERVICE RESIDENTIAL CAMP**
9 **PILOT PROJECT.**

10 Section 18 of the Richard B. Russell National School
11 Lunch Act (42 U.S.C. 1769) (as amended by section 119)
12 is amended by adding at the end the following:

13 “(i) SUMMER FOOD SERVICE RESIDENTIAL CAMP
14 PILOT PROJECT.—

15 “(1) IN GENERAL.—During the month after the
16 date of enactment of this subsection through Sep-
17 tember, 2004, and the months of May through Sep-
18 tember, 2005, the Secretary shall carry out a pilot
19 project, at not more than 1 private nonprofit resi-
20 dential camp in each of not more than 2 States, as
21 determined by the Secretary, for the purpose of
22 identifying and evaluating alternative methods of de-
23 termining the eligibility of residential private non-
24 profit camps to participate in the summer food serv-

1 ice program for children established under section
2 13.

3 “(2) ELIGIBILITY.—To be eligible to participate
4 in the pilot project, a residential camp—

5 “(A) shall be a service institution (as de-
6 fined in section 13(a)(1));

7 “(B) may not charge a fee to any child in
8 residence at the camp; and

9 “(C) shall serve children who reside in an
10 area in which poor economic conditions exist (as
11 defined in section 13(a)(1)).

12 “(3) PAYMENTS.—

13 “(A) IN GENERAL.—Under the pilot
14 project, the Secretary shall provide reimburse-
15 ment for meals served to all children at a resi-
16 dential camp at the payment rates specified in
17 section 13(b)(1).

18 “(B) REIMBURSABLE MEALS.—A residen-
19 tial camp participating in the pilot project may
20 receive reimbursement for not more than 3
21 meals, or 2 meals and 1 supplement, during
22 each day of operation.

23 “(4) EVALUATION OF PILOT PROJECTS.—

24 “(A) INFORMATION FROM RESIDENTIAL
25 CAMPS.—Not later than December 31, 2005, a

1 residential camp participating in the pilot
2 project shall report to the Secretary such infor-
3 mation as is required by the Secretary con-
4 cerning participation in the pilot project.

5 “(B) REPORT TO CONGRESS.—Not later
6 than March 31, 2006, the Secretary shall sub-
7 mit to the Committee on Education and the
8 Workforce of the House of Representatives and
9 the Committee on Agriculture, Nutrition, and
10 Forestry of the Senate a report that evaluates
11 the results of the pilot project.”.

12 **SEC. 121. HEALTHY SCHOOL NUTRITION ENVIRONMENT**
13 **PILOT PROJECTS.**

14 Section 18 of the Richard B. Russell National School
15 Lunch Act (42 U.S.C. 1769) (as amended by section 120)
16 is amended by adding at the end the following:

17 “(j) HEALTHY SCHOOL NUTRITION ENVIRONMENT
18 PILOT PROJECTS.—

19 “(1) IN GENERAL.—Subject to the availability
20 of funds under paragraph (6), the Secretary shall
21 conduct pilot projects in selected elementary and
22 secondary schools—

23 “(A) to create healthy school nutrition en-
24 vironments; and

1 “(B) to assess the impact of the environ-
2 ments on the health and well-being of children
3 enrolled in the schools.

4 “(2) SELECTION OF SCHOOLS.—In selecting
5 schools for participation in pilot projects under this
6 subsection, the Secretary shall select schools in a
7 manner that—

8 “(A) provides for an equitable distribution
9 of pilot projects among—

10 “(i) urban, suburban, and rural
11 schools; and

12 “(ii) schools with varying family in-
13 come levels; and

14 “(B) permits the evaluation of pilot
15 projects designed by the Secretary.

16 “(3) ASSESSMENT OF NUTRITIONAL ENVIRON-
17 MENTS AND ACHIEVEMENT OF CERTIFICATION CRI-
18 TERIA.—In carrying out this subsection, for the first
19 school year for which funds are made available, the
20 Secretary shall make a grant to each selected school
21 to assist the school in—

22 “(A) conducting an assessment of the nu-
23 tritional environment of the school, in accord-
24 ance with procedures established by the Sec-
25 retary; and

1 “(B) meeting the certification criteria
2 specified in paragraph (4)(B).

3 “(4) INCENTIVE GRANTS FOR HEALTHY
4 SCHOOL NUTRITION ENVIRONMENTS.—

5 “(A) IN GENERAL.—In carrying out this
6 subsection, for each subsequent school year, the
7 Secretary shall make a grant to each selected
8 school that meets the certification criteria speci-
9 fied in subparagraph (B) to assist the school in
10 conducting—

11 “(i) meal service activities under the
12 nonprofit school food service program of
13 the school; and

14 “(ii) other activities that the Sec-
15 retary determines are consistent with a
16 healthy school nutrition environment.

17 “(B) CERTIFICATION CRITERIA.—To be
18 certified as a school that meets healthy school
19 nutrition environment criteria under subpara-
20 graph (A), the school shall meet criteria estab-
21 lished by the Secretary, that include (at a min-
22 imum)—

23 “(i) providing program meals that
24 meet the nutritional standards for break-

1 fasts and lunches established by the Sec-
2 retary;

3 “(ii) offering healthy food choices out-
4 side program meals, such as offering
5 healthy foods in vending machines, school
6 stores, and other venues;

7 “(iii) promoting the consumption of
8 fruits and vegetables;

9 “(iv) providing nutrition education to
10 staff and to students in an understandable
11 and uniform format and, to the extent
12 practicable, in a language that students
13 can understand; and

14 “(v) meeting other criteria established
15 by the Secretary.

16 “(5) EVALUATIONS.—

17 “(A) IN GENERAL.—In carrying out this
18 subsection, the Secretary, acting through the
19 Administrator of the Food and Nutrition Serv-
20 ice, shall conduct an evaluation of schools that
21 conduct pilot projects under this subsection.

22 “(B) CONTENT.—The evaluation shall
23 measure, at a minimum, the effects of a healthy
24 school nutrition environment on—

25 “(i) overweight children and obesity;

1 “(ii) dietary intake;
2 “(iii) nutrition education and behav-
3 ior;
4 “(iv) the adequacy of time to eat;
5 “(v) physical activities;
6 “(vi) parental and student attitudes
7 and participation; and
8 “(vii) related funding issues, including
9 the cost of maintaining a healthy school
10 nutrition environment.

11 “(C) REPORTS.—In carrying out this sub-
12 section, the Secretary shall submit to the Com-
13 mittee on Education and the Workforce of the
14 House of Representatives and the Committee
15 on Agriculture, Nutrition, and Forestry of the
16 Senate a report on the activities of schools par-
17 ticipating in pilot projects under this sub-
18 section.

19 “(6) AUTHORIZATION OF APPROPRIATIONS.—
20 There is authorized to be appropriated to carry out
21 this subsection such sums as are necessary, to re-
22 main available until expended.”.

1 **SEC. 122. FOOD SERVICE PROGRAM PERSONNEL PROFES-**
2 **SIONAL STANDARDS PILOT PROJECT.**

3 Section 18 of the Richard B. Russell National School
4 Lunch Act (42 U.S.C. 1769) (as amended by section 121)
5 is amended by adding at the end the following:

6 “(k) FOOD SERVICE PROGRAM PERSONNEL PROFES-
7 SIONAL STANDARDS PILOT PROJECT.—

8 “(1) IN GENERAL.—Subject to the availability
9 of funds under paragraph (5), the Secretary shall
10 carry out a pilot project—

11 “(A) to assess issues pertaining to profes-
12 sional certification of school food service pro-
13 gram personnel; and

14 “(B) to provide States, school districts,
15 and schools with assistance in improving profes-
16 sional standards, and obtaining appropriate
17 program certification, related to food service
18 and dietary management.

19 “(2) ASSISTANCE.—In carrying out the pilot
20 project, the Secretary shall—

21 “(A) assist States in providing training
22 and professional development classes and pro-
23 grams for district school food service adminis-
24 trators and other senior food service program
25 personnel who do not possess an approved cer-
26 tificate or credential in preparing for and ob-

1 taining an approved certificate or credential;
2 and

3 “(B) provide assistance to schools, or indi-
4 viduals described in subparagraph (A), to pay
5 the costs of attending classes and obtaining an
6 approved certificate or credential.

7 “(3) ASSESSMENT.—In carrying out the pilot
8 project, the Secretary shall assess—

9 “(A) which certifications or credentials
10 may be considered appropriate professional
11 standards for senior administration personnel of
12 a district school food service program;

13 “(B) the degree to which school food au-
14 thorities require the senior district food service
15 program personnel to have attained certification
16 or credentials from an approved or appropriate
17 governing body, including differences that may
18 derive from district size;

19 “(C) the impact that employing a certified
20 or credentialed school food service adminis-
21 trator has on program quality; and

22 “(D) the costs to the school food authority
23 of including such a requirement in employing a
24 district school food service administrator.

1 “(4) REPORT.—On completion of the pilot
2 project, the Secretary shall submit to the Committee
3 on Education and the Workforce of the House of
4 Representatives and the Committee on Agriculture,
5 Nutrition, and Forestry of the Senate a report on
6 the results of the pilot project.

7 “(5) AUTHORIZATION OF APPROPRIATIONS.—
8 There are authorized to be appropriated such sums
9 as are necessary to carry out this subsection, to re-
10 main available until expended.”.

11 **SEC. 123. SCHOOL GARDEN GRANT PILOT PROJECT.**

12 Section 18 of the Richard B. Russell National School
13 Lunch Act (42 U.S.C. 1769) (as amended by section 122)
14 is amended by adding at the end the following:

15 “(1) SCHOOL GARDEN GRANT PILOT PROJECT.—

16 “(1) IN GENERAL.—Subject to paragraph (2),
17 the Secretary may make grants to State or local
18 educational agencies and nonprofit organizations to
19 support school garden programs that allow children
20 to learn about the importance of specialty crops to
21 a healthy diet.

22 “(2) SUBSTANTIAL URBAN CENTERS.—The
23 Secretary shall initially target grants under this sub-
24 section to substantial urban centers, as determined
25 by the Secretary.

1 “(3) CONSULTATION.—The Secretary shall de-
2 velop and carry out the grant program in consulta-
3 tion with the State department of agriculture and
4 other appropriate institutions in each State in which
5 the grant program is conducted.

6 “(4) AUTHORIZATION OF APPROPRIATIONS.—
7 There is authorized to be appropriated to carry out
8 this subsection \$15,000,000, to remain available
9 until expended.”.

10 **SEC. 124. ACCESS TO LOCAL FOODS.**

11 Section 18 of the Richard B. Russell National School
12 Lunch Act (42 U.S.C. 1769) (as amended by section 123)
13 is amended by adding at the end the following:

14 “(m) ACCESS TO LOCAL FOODS.—

15 “(1) IN GENERAL.—The Secretary may provide
16 assistance, through competitive matching grants and
17 technical assistance, to schools and nonprofit entities
18 for projects that—

19 “(A) improve access to local foods in
20 schools and institutions participating in pro-
21 grams under this Act and section 4 of the Child
22 Nutrition Act of 1966 (42 U.S.C. 1773)
23 through farm-to-cafeteria activities that may in-
24 clude the acquisition of food and appropriate

1 equipment and the provision of training and
2 education;

3 “(B) are, at a minimum, designed to pro-
4 cure local foods from small- and medium-sized
5 farms for school meals;

6 “(C) support nutrition education activities
7 or curriculum planning that incorporates the
8 participation of school children in farm and ag-
9 ricultural education activities;

10 “(D) develop a sustained commitment to
11 farm-to-cafeteria projects in the community by
12 linking schools, agricultural producers, parents,
13 and other community stakeholders;

14 “(E) require \$100,000 or less in Federal
15 contributions;

16 “(F) require a Federal share of costs of
17 not to exceed 75 percent;

18 “(G) provide matching support in the form
19 of cash or in-kind contributions (including fa-
20 cilities, equipment, or services provided by State
21 and local governments and private sources); and

22 “(H) cooperate in an evaluation carried
23 out by the Secretary.

24 “(2) AUTHORIZATION OF APPROPRIATIONS.—

25 There are authorized to be appropriated such sums

1 as are necessary to carry out this subsection for
2 each of fiscal years 2004 through 2008.”.

3 **SEC. 125. CHILDHOOD OBESITY PREVENTION PILOT**
4 **PROJECT.**

5 Section 18 of the Richard B. Russell National School
6 Lunch Act (42 U.S.C. 1769) (as amended by section 124)
7 is amended by adding at the end the following:

8 “(n) CHILDHOOD OBESITY PREVENTION PILOT
9 PROJECT.—

10 “(1) IN GENERAL.—Subject to the availability
11 of funds under paragraph (6), for a period of 4 suc-
12 cessive years, the Secretary shall award to a national
13 organization with expertise in designing and imple-
14 menting health education programs for limited-
15 English-proficient individuals a grant to carry out a
16 pilot project to enhance obesity prevention activities
17 for child care centers and sponsoring organizations
18 providing services to limited-English-proficient indi-
19 viduals through the child and adult care food pro-
20 gram under section 17 in each of 4 States selected
21 by the Secretary in accordance with paragraph (2).

22 “(2) STATES.—The pilot project shall be car-
23 ried out in States that have experienced a growth in
24 the limited-English-proficient population of the

1 States of at least 100 percent between the years
2 1990 and 2000, as measured by the census.

3 “(3) REQUIRED ACTIVITIES.—Activities carried
4 out under paragraph (1) shall include—

5 “(A) developing an interactive and com-
6 prehensive tool kit for use by lay health edu-
7 cators and training activities;

8 “(B) conducting training and providing on-
9 going technical assistance for lay health edu-
10 cators; and

11 “(C) establishing collaborations with child
12 care centers and sponsoring organizations par-
13 ticipating in the child and adult care food pro-
14 gram under section 17 to—

15 “(i) identify limited-English-proficient
16 children and families; and

17 “(ii) enhance the capacity of the child
18 care centers and sponsoring organizations
19 to use appropriate obesity prevention strat-
20 egies.

21 “(4) EVALUATION.—The grant recipient shall
22 identify an institution of higher education to conduct
23 an independent evaluation of the effectiveness of the
24 project.

1 “(5) REPORT.—The Secretary shall submit to
2 the Committee on Education and the Workforce of
3 the House of Representatives, the Committee on Ag-
4 riculture, Nutrition, and Forestry of the Senate, and
5 the Health, Education, Labor, and Pensions Com-
6 mittee of the Senate a report that includes—

7 “(A) the evaluation completed by the insti-
8 tution of higher education under paragraph (4);

9 “(B) the effectiveness of lay health edu-
10 cators in reducing childhood obesity; and

11 “(C) any recommendations of the Sec-
12 retary concerning the pilot project.

13 “(6) AUTHORIZATION OF APPROPRIATIONS.—
14 There are authorized to be appropriated to carry out
15 this subsection \$250,000 for each of fiscal years
16 2005 through 2008.”.

17 **SEC. 126. YEAR ROUND SERVICES FOR ELIGIBLE ENTITIES.**

18 Section 18 of the Richard B. Russell National School
19 Lunch Act (42 U.S.C. 1769) (as amended by section 125)
20 is amended by adding at the end the following:

21 “(o) YEAR ROUND SERVICES FOR ELIGIBLE ENTI-
22 TIES.—

23 “(1) IN GENERAL.—A service institution (as de-
24 fined in paragraphs (6) or (7) of section 13(a)) lo-
25 cated in California—

1 “(A) may be reimbursed for up to 3 meals
2 and 2 supplements for any day for which serv-
3 ices are being offered at the institution; and

4 “(B) shall be reimbursed for costs con-
5 sistent with section 13(b)(1).

6 “(2) EXEMPTIONS.—A service institution that
7 receives assistance under this subsection shall com-
8 ply with all provisions of section 13 other than sub-
9 sections (b)(2) and (c)(1) of that section.

10 “(3) FUNDING.—From funds made available to
11 carry out section 13, the Secretary shall provide to
12 the State of California in fiscal year 2005 an
13 amount not to exceed \$1,000,000, to remain avail-
14 able until expended, for the additional reimburse-
15 ment costs for meals and supplements authorized by
16 this subsection.”.

17 **SEC. 127. FREE LUNCH AND BREAKFAST EXPANSION PILOT**
18 **PROJECT.**

19 (a) FINDINGS.—Congress finds that—

20 (1) Federal child nutrition programs (including
21 the school lunch and breakfast programs) are impor-
22 tant to the health and education of children of the
23 United States;

24 (2) reduced price school meals are offered, in
25 participating schools, to children with family income

1 between 130 percent of the poverty line and 185
2 percent of the poverty line;

3 (3) many families in the reduced price income
4 category are finding it difficult to pay the fee for re-
5 duced price school meals and, for some families, the
6 fee is a barrier to participation;

7 (4) the special supplemental nutrition program
8 for women, infants, and children (WIC) established
9 by section 17 of the Child Nutrition Act of 1966 (42
10 U.S.C. 1786) provides free benefits to all partici-
11 pants with family income below 185 percent of pov-
12 erty; and

13 (5) over 500 State and local school boards have
14 passed resolutions urging Congress to eliminate the
15 reduced price school meal program and to harmonize
16 the income standard of eligibility for the school
17 lunch program with the WIC program.

18 (b) PILOT PROJECT.—Section 18 of the Richard B.
19 Russell National School Lunch Act (42 U.S.C. 1769) (as
20 amended by section 126) is amended by adding at the end
21 the following:

22 “(p) FREE LUNCH AND BREAKFAST EXPANSION
23 PILOT PROJECT.—

24 “(1) IN GENERAL.—Subject to the availability
25 of funds under paragraph (4), the Secretary shall

1 carry out a pilot project under which expanded serv-
2 ice of free lunches and breakfasts is provided at
3 schools participating in the school lunch program
4 under this Act or the school breakfast program
5 under section 4 of the Child Nutrition Act of 1966
6 (42 U.S.C. 1773) in all or part of 5 States selected
7 by the Secretary (of which at least 1 shall be a
8 largely rural State with a significant Native Amer-
9 ican population).

10 “(2) INCOME ELIGIBILITY.—The income guide-
11 lines for determining eligibility for free lunches or
12 breakfasts under this subsection shall be 185 per-
13 cent of the applicable family size income levels con-
14 tained in the nonfarm income poverty guidelines pre-
15 scribed by the Office of Management and Budget, as
16 adjusted annually in accordance with section
17 9(b)(1)(B).

18 “(3) EVALUATION.—

19 “(A) IN GENERAL.—Not later than 3 years
20 after the implementation of the pilot project
21 under this subsection, the Secretary shall con-
22 duct an evaluation of the pilot project to assess
23 the impact of the pilot project by comparing the
24 school food authorities operating under the pilot

1 project to school food authorities not operating
2 under the pilot project.

3 “(B) IMPACT ASSESSMENT.—

4 “(i) CHILDREN.—The evaluation shall
5 assess the impact of the pilot project sepa-
6 rately on—

7 “(I) children in households with
8 incomes less than 130 percent of the
9 applicable family income levels con-
10 tained in the nonfarm poverty income
11 guidelines prescribed by the Office of
12 Management and Budget, as adjusted
13 annually in accordance with section
14 9(b)(1)(B); and

15 “(II) children in households with
16 incomes greater than 130 percent and
17 not greater than 185 percent of the
18 applicable family income levels con-
19 tained in the nonfarm poverty income
20 guidelines prescribed by the Office of
21 Management and Budget, as adjusted
22 annually in accordance with section
23 9(b)(1)(B).

24 “(ii) FACTORS.—The evaluation shall
25 assess the impact of the pilot project on—

1 “(I) certification and participa-
2 tion rates in the school lunch and
3 breakfast programs;

4 “(II) rates of lunch- and break-
5 fast-skipping;

6 “(III) academic achievement; and

7 “(IV) other factors determined
8 by the Secretary.

9 “(C) COST ASSESSMENT.—The evaluation
10 shall assess the increased costs associated with
11 providing additional free, reduced price, or paid
12 meals in the school food authorities operating
13 under the pilot project.

14 “(D) REPORT.—On completion of the pilot
15 project and the evaluation, the Secretary shall
16 submit to the Committee on Education and the
17 Workforce of the House of Representatives and
18 the Committee on Agriculture, Nutrition, and
19 Forestry of the Senate a report describing the
20 results of the evaluation of the pilot project
21 under this paragraph.

22 “(4) AUTHORIZATION OF APPROPRIATIONS.—
23 There are authorized to be appropriated such sums
24 as are necessary to carry out this subsection, to re-
25 main available until expended.”.

1 **SEC. 128. TRAINING, TECHNICAL ASSISTANCE, AND FOOD**
2 **SERVICE MANAGEMENT INSTITUTE.**

3 (a) IN GENERAL.—Section 21(a)(1) of the Richard
4 B. Russell National School Lunch Act (42 U.S.C. 1769b–
5 1(a)(1)) is amended by striking “activities and” and all
6 that follows and inserting “activities and provide—

7 “(A) technical assistance to improve the
8 skills of individuals employed in—

9 “(i) food service programs carried out
10 with assistance under this Act;

11 “(ii) school breakfast programs car-
12 ried out with assistance under section 4 of
13 the Child Nutrition Act of 1966 (42
14 U.S.C. 1773); and

15 “(iii) as appropriate, other federally
16 assisted feeding programs; and

17 “(B) assistance, on a competitive basis, to
18 State agencies for the purpose of aiding schools
19 and school food authorities with at least 50 per-
20 cent of enrolled children certified to receive free
21 or reduced price meals (and, if there are any re-
22 maining funds, other schools and school food
23 authorities) in meeting the cost of acquiring or
24 upgrading technology and information manage-
25 ment systems for use in food service programs
26 carried out under this Act and section 4 of the

1 Child Nutrition Act of 1966 (42 U.S.C. 1773),
2 if the school or school food authority submits to
3 the State agency an infrastructure development
4 plan that—

5 “(i) addresses the cost savings and
6 improvements in program integrity and op-
7 erations that would result from the use of
8 new or upgraded technology;

9 “(ii) ensures that there is not any
10 overt identification of any child by special
11 tokens or tickets, announced or published
12 list of names, or by any other means;

13 “(iii) provides for processing and
14 verifying applications for free and reduced
15 price school meals;

16 “(iv) integrates menu planning, pro-
17 duction, and serving data to monitor com-
18 pliance with section 9(f)(1); and

19 “(v) establishes compatibility with
20 statewide reporting systems;

21 “(C) assistance, on a competitive basis, to
22 State agencies with low proportions of schools
23 or students that—

1 “(i) participate in the school breakfast
2 program under section 4 of the Child Nu-
3 trition Act of 1966 (42 U.S.C. 1773); and

4 “(ii) demonstrate the greatest need,
5 for the purpose of aiding schools in meet-
6 ing costs associated with initiating or ex-
7 panding a school breakfast program under
8 section 4 of the Child Nutrition Act of
9 1966 (42 U.S.C. 1773), including outreach
10 and informational activities; and”.

11 (b) DUTIES OF FOOD SERVICE MANAGEMENT INSTI-
12 TUTE.—Section 21(c)(2)(B) of the Richard B. Russell Na-
13 tional School Lunch Act (42 U.S.C. 1769b–1(c)(2)(B)) is
14 amended—

15 (1) by striking clauses (vi) and (vii) and insert-
16 ing the following:

17 “(vi) safety, including food handling,
18 hazard analysis and critical control point
19 plan implementation, emergency readiness,
20 responding to a food recall, and food bio-
21 security training;”; and

22 (2) by redesignating clauses (viii) through (x)
23 as clauses (vii) through (ix), respectively.

24 (c) AUTHORIZATION OF APPROPRIATIONS.—

1 (1) TRAINING ACTIVITIES AND TECHNICAL AS-
2 SISTANCE.—Section 21(e)(1) of the Richard B. Rus-
3 sell National School Lunch Act (42 U.S.C. 1769b–
4 1(e)(1)) is amended by striking “2003” and insert-
5 ing “2008”.

6 (2) FOOD SERVICE MANAGEMENT INSTITUTE.—
7 Section 21(e)(2)(A) of the Richard B. Russell Na-
8 tional School Lunch Act (42 U.S.C. 1769b–
9 1(e)(2)(A) is amended in the first sentence by strik-
10 ing “\$147,000” and all that follows through “1999”
11 and inserting “\$3,000,000 for fiscal year 2004 and
12 \$4,000,000 for fiscal year 2005”.

13 **SEC. 129. ADMINISTRATIVE ERROR REDUCTION.**

14 (a) FEDERAL SUPPORT FOR TRAINING AND TECH-
15 NICAL ASSISTANCE.—Section 21 of the Richard B. Russell
16 National School Lunch Act (42 U.S.C. 1769b–1) is
17 amended—

18 (1) by redesignating subsection (e) as sub-
19 section (g); and

20 (2) by inserting after subsection (d) the fol-
21 lowing:

22 “(e) ADMINISTRATIVE TRAINING AND TECHNICAL
23 ASSISTANCE MATERIALS.—In collaboration with State
24 educational agencies, school food authorities, and local
25 educational agencies of varying sizes, the Secretary shall

1 develop and distribute training and technical assistance
2 materials relating to the administration of school meal
3 programs that are representative of the best management
4 and administrative practices.

5 “(f) FEDERAL ADMINISTRATIVE SUPPORT.—

6 “(1) FUNDING.—

7 “(A) IN GENERAL.—Out of any funds in
8 the Treasury not otherwise appropriated, the
9 Secretary of the Treasury shall transfer to the
10 Secretary of Agriculture to carry out this
11 subsection—

12 “(i) on October 1, 2004, and October
13 1, 2005, \$5,000,000; and

14 “(ii) on October 1, 2006, and October
15 1, 2007, \$3,000,000.

16 “(B) RECEIPT AND ACCEPTANCE.—The
17 Secretary shall be entitled to receive, shall ac-
18 cept, and shall use to carry out this subsection
19 the funds transferred under subparagraph (A),
20 without further appropriation.

21 “(C) AVAILABILITY OF FUNDS.—Funds
22 transferred under subparagraph (A) shall re-
23 main available until expended.

24 “(2) USE OF FUNDS.—The Secretary may use
25 funds provided under this subsection—

1 “(A) to provide training and technical as-
2 sistance and materials related to improving pro-
3 gram integrity and administrative accuracy in
4 school meals programs; and

5 “(B) to assist State educational agencies
6 in reviewing the administrative practices of
7 school food authorities, to the extent deter-
8 mined by the Secretary.”.

9 (b) SELECTED ADMINISTRATIVE REVIEWS.—Section
10 22(b) of the Richard B. Russell National School Lunch
11 Act (42 U.S.C. 1769c(b)) is amended by adding at the
12 end the following:

13 “(3) ADDITIONAL REVIEW REQUIREMENT FOR
14 SELECTED SCHOOL FOOD AUTHORITIES.—

15 “(A) DEFINITION OF SELECTED SCHOOL
16 FOOD AUTHORITY.—In this paragraph, the
17 term ‘selected school food authority’ means a
18 school food authority that has a demonstrated
19 high level of, or a high risk for, administrative
20 error, as determined by the Secretary.

21 “(B) ADDITIONAL ADMINISTRATIVE RE-
22 VIEW.—In addition to any review required by
23 subsection (a) or paragraph (1), each State
24 educational agency shall conduct an administra-
25 tive review of each selected school food author-

1 ity during the review cycle established under
2 subsection (a).

3 “(C) SCOPE OF REVIEW.—In carrying out
4 a review under subparagraph (B), a State edu-
5 cational agency shall only review the adminis-
6 trative processes of a selected school food au-
7 thority, including application, certification,
8 verification, meal counting, and meal claiming
9 procedures.

10 “(D) RESULTS OF REVIEW.—If the State
11 educational agency determines (on the basis of
12 a review conducted under subparagraph (B))
13 that a selected school food authority fails to
14 meet performance criteria established by the
15 Secretary, the State educational agency shall—

16 “(i) require the selected school food
17 authority to develop and carry out an ap-
18 proved plan of corrective action;

19 “(ii) except to the extent technical as-
20 sistance is provided directly by the Sec-
21 retary, provide technical assistance to as-
22 sist the selected school food authority in
23 carrying out the corrective action plan; and

1 “(iii) conduct a followup review of the
2 selected school food authority under stand-
3 ards established by the Secretary.

4 “(4) RETAINING FUNDS AFTER ADMINISTRA-
5 TIVE REVIEWS.—

6 “(A) IN GENERAL.—Subject to subpara-
7 graphs (B) and (C), if an initial review or a fol-
8 lowup review under paragraph (1) or (3) or
9 subsection (a) reveals that a claim for reim-
10 bursement has been made that was not properly
11 payable under this Act or the Child Nutrition
12 Act of 1966 (42 U.S.C. 1771 et seq.), the Sec-
13 retary may require the State educational agency
14 to retain funds that would otherwise be paid to
15 the school food authority for school meals pro-
16 grams under procedures prescribed by the Sec-
17 retary.

18 “(B) AMOUNT.—The amount of funds re-
19 tained under subparagraph (A) shall equal the
20 value of any overpayment made to the school
21 food authority or local educational agency as a
22 result of an erroneous claim during the time pe-
23 riod described in subparagraph (C).

1 “(C) TIME PERIOD.—The period for deter-
2 mining the value of any overpayment under
3 subparagraph (B) shall be the period—

4 “(i) beginning on the date the erro-
5 neous claim was made; and

6 “(ii) ending on the earlier of the date
7 the erroneous claim is corrected or—

8 “(I) in the case of the first re-
9 view conducted by the State edu-
10 cational agency of the local edu-
11 cational agency under this section
12 after July 1, 2005, the date that is 60
13 days after the beginning of the period
14 under clause (i); or

15 “(II) in the case of any subse-
16 quent review conducted by the State
17 educational agency of the local edu-
18 cational agency under this section, the
19 date that is 90 days after the begin-
20 ning of the period under clause (i).

21 “(5) USE OF RETAINED FUNDS.—

22 “(A) IN GENERAL.—Subject to subpara-
23 graph (B), funds retained under paragraph (4)
24 shall—

1 “(i) be returned to the Secretary, and
2 may be used—

3 “(I) to provide training and tech-
4 nical assistance related to administra-
5 tive practices designed to improve pro-
6 gram integrity and administrative ac-
7 curacy in school meals programs to
8 State educational agencies and, to the
9 extent determined by the Secretary, to
10 school food authorities and local edu-
11 cational agencies;

12 “(II) to assist State educational
13 agencies in reviewing the administra-
14 tive practices of school food authori-
15 ties in carrying out school meals pro-
16 grams; and

17 “(III) to carry out section 21(e);
18 or

19 “(ii) be credited to the child nutrition
20 programs appropriation account.

21 “(B) STATE SHARE.—A State educational
22 agency may retain not more than 25 percent of
23 an amount recovered under paragraph (4), to
24 carry out school meals program integrity initia-
25 tives to assist school food authorities and local

1 educational agencies that have repeatedly failed,
2 as determined by the Secretary, to meet admin-
3 istrative performance criteria.

4 “(C) REQUIREMENT.—To be eligible to re-
5 tain funds under subparagraph (B), a State
6 educational agency shall—

7 “(i) submit to the Secretary a plan
8 describing how the State educational agen-
9 cy will use the funds to improve school
10 meals program integrity, including meas-
11 ures to give priority to school food authori-
12 ties from which funds were retained under
13 paragraph (4); and

14 “(ii) obtain the approval of the Sec-
15 retary for the plan.”.

16 (c) TRAINING AND TECHNICAL ASSISTANCE.—Sec-
17 tion 7 of the Child Nutrition Act of 1966 (42 U.S.C.
18 1776) is amended—

19 (1) in subsection (e)—

20 (A) by striking “(e) Each” and inserting
21 the following:

22 “(e) PLANS FOR USE OF ADMINISTRATIVE EXPENSE
23 FUNDS.—

24 “(1) IN GENERAL.—Each”; and

1 (B) by striking “After submitting” and all
2 that follows through “change in the plan.” and
3 inserting the following:

4 “(2) UPDATES AND INFORMATION MANAGE-
5 MENT SYSTEMS.—

6 “(A) IN GENERAL.—After submitting the
7 initial plan, a State shall be required to submit
8 to the Secretary for approval only a substantive
9 change in the plan.

10 “(B) PLAN CONTENTS.—Each State plan
11 shall, at a minimum, include a description of
12 how technology and information management
13 systems will be used to improve program integ-
14 rity by—

15 “(i) monitoring the nutrient content
16 of meals served;

17 “(ii) training schools and school food
18 authorities in how to use technology and
19 information management systems (includ-
20 ing verifying eligibility for free or reduced
21 price meals using program participation or
22 income data gathered by State or local
23 agencies); and

24 “(iii) using electronic data to establish
25 benchmarks to compare and monitor pro-

1 gram integrity, program participation, and
2 financial data.

3 “(3) TRAINING AND TECHNICAL ASSISTANCE.—

4 Each State shall submit to the Secretary for ap-
5 proval a plan describing the manner in which the
6 State intends to implement subsection (g) of section
7 7 of this Act and section 22(b)(3) of the Richard B.
8 Russell National School Lunch Act (as added by sec-
9 tion 125(b) of the Child Nutrition and WIC Reau-
10 thorization Act of 2004).”;

11 (2) by redesignating subsection (g) as sub-
12 section (i); and

13 (3) by inserting after subsection (f) the fol-
14 lowing:

15 “(g) STATE TRAINING.—

16 “(1) IN GENERAL.—At least annually, each
17 State shall provide training in administrative prac-
18 tices (including training in application, certification,
19 verification, meal counting, and meal claiming proce-
20 dures) to school food authority administrative per-
21 sonnel and other appropriate personnel, with empha-
22 sis on the requirements established by the Child Nu-
23 trition and WIC Reauthorization Act of 2004 and
24 the amendments made by that Act.

25 “(2) FEDERAL ROLE.—The Secretary shall—

1 “(A) provide training and technical assist-
2 ance to a State; or

3 “(B) at the option of the Secretary, di-
4 rectly provide training and technical assistance
5 described in paragraph (1).

6 “(3) REQUIRED PARTICIPATION.—In accord-
7 ance with procedures established by the Secretary,
8 each school food authority or local educational agen-
9 cy shall ensure that an individual conducting or
10 overseeing administrative procedures described in
11 paragraph (1) receives training at least annually,
12 unless determined otherwise by the Secretary.

13 “(h) FUNDING FOR TRAINING AND ADMINISTRATIVE
14 REVIEWS.—

15 “(1) FUNDING.—

16 “(A) IN GENERAL.—On October 1, 2004,
17 and on each October 1 thereafter, out of any
18 funds in the Treasury not otherwise appro-
19 priated, the Secretary of the Treasury shall
20 transfer to the Secretary of Agriculture to carry
21 out this subsection \$4,000,000, to remain avail-
22 able until expended.

23 “(B) RECEIPT AND ACCEPTANCE.—The
24 Secretary shall be entitled to receive, shall ac-
25 cept, and shall use to carry out this subsection

1 the funds transferred under subparagraph (A),
2 without further appropriation.

3 “(2) USE OF FUNDS.—

4 “(A) IN GENERAL.—Except as provided in
5 subparagraph (B), the Secretary shall use
6 funds provided under this subsection to assist
7 States in carrying out subsection (g) and ad-
8 ministrative reviews of selected school food au-
9 thorities and local educational agencies carried
10 out under section 22 of the Richard B. Russell
11 National School Lunch Act (42 U.S.C. 1769c).

12 “(B) EXCEPTION.—The Secretary may re-
13 tain a portion of the amount provided to cover
14 costs of activities carried out by the Secretary
15 in lieu of the State.

16 “(3) ALLOCATION.—The Secretary shall allo-
17 cate funds provided under this subsection to States
18 based on the number of local educational agencies
19 that have demonstrated a high level of, or a high
20 risk for, administrative error, as determined by the
21 Secretary, taking into account the requirements es-
22 tablished by the Child Nutrition and WIC Reauthor-
23 ization Act of 2004 and the amendments made by
24 that Act.

1 “(4) REALLOCATION.—The Secretary may re-
2 allocate, to carry out this section, any amounts made
3 available to carry out this subsection that are not
4 obligated or expended, as determined by the Sec-
5 retary.”.

6 **SEC. 130. COMPLIANCE AND ACCOUNTABILITY.**

7 Section 22(d) of the Richard B. Russell National
8 School Lunch Act (42 U.S.C. 1769c(d)) is amended by
9 striking “\$3,000,000 for each of the fiscal years 1994
10 through 2003” and inserting “\$6,000,000 for each of fis-
11 cal years 2004 through 2008”.

12 **SEC. 131. INFORMATION CLEARINGHOUSE.**

13 Section 26(d) of the Richard B. Russell National
14 School Lunch Act (42 U.S.C. 1769g(d)) is amended in
15 the first sentence by striking “and \$166,000 for each of
16 fiscal years 1999 through 2003” and inserting “\$166,000
17 for each of fiscal years 1999 through 2004, and \$250,000
18 for each of fiscal years 2005 through 2008”.

19 **SEC. 132. PROGRAM EVALUATION.**

20 The Richard B. Russell National School Lunch Act
21 (42 U.S.C. 1751 et seq.) is amended by adding at the end
22 the following:

23 **“SEC. 28. PROGRAM EVALUATION.**

24 “(a) PERFORMANCE ASSESSMENTS.—

1 “(1) IN GENERAL.—Subject to the availability
2 of funds made available under paragraph (3), the
3 Secretary, acting through the Administrator of the
4 Food and Nutrition Service, may conduct annual na-
5 tional performance assessments of the meal pro-
6 grams conducted under this Act and the Child Nu-
7 trition Act of 1966 (42 U.S.C. 1771 et seq.).

8 “(2) COMPONENTS.—In conducting an assess-
9 ment, the Secretary may assess—

10 “(A) the cost of producing meals and meal
11 supplements under the programs described in
12 paragraph (1); and

13 “(B) the nutrient profile of meals, and sta-
14 tus of menu planning practices, under the pro-
15 grams.

16 “(3) AUTHORIZATION OF APPROPRIATIONS.—
17 There is authorized to be appropriated to carry out
18 this subsection \$5,000,000 for fiscal year 2004 and
19 each subsequent fiscal year.

20 “(b) CERTIFICATION IMPROVEMENTS.—

21 “(1) IN GENERAL.—Subject to the availability
22 of funds made available under paragraph (5), the
23 Secretary, acting through the Administrator of the
24 Food and Nutrition Service, shall conduct a study of
25 the feasibility of improving the certification process

1 used for the school lunch program established under
2 this Act.

3 “(2) PILOT PROJECTS.—In carrying out this
4 subsection, the Secretary may conduct pilot projects
5 to improve the certification process used for the
6 school lunch program.

7 “(3) COMPONENTS.—In carrying out this sub-
8 section, the Secretary shall examine the use of—

9 “(A) other income reporting systems;

10 “(B) an integrated benefit eligibility deter-
11 mination process managed by a single agency;

12 “(C) income or program participation data
13 gathered by State or local agencies; and

14 “(D) other options determined by the Sec-
15 retary.

16 “(4) WAIVERS.—

17 “(A) IN GENERAL.—Subject to subpara-
18 graph (B), the Secretary may waive such provi-
19 sions of this Act and the Child Nutrition Act of
20 1966 (42 U.S.C. 1771 et seq.) as are necessary
21 to carry out this subsection.

22 “(B) PROVISIONS.—The protections of sec-
23 tion 9(b)(6) shall apply to any study or pilot
24 project carried out under this subsection.

1 “(5) AUTHORIZATION OF APPROPRIATIONS.—

2 There is authorized to be appropriated to carry out
3 this subsection such sums as are necessary.”.

4 **SEC. 133. GLEANING OF FRESH FRUITS AND VEGETABLES.**

5 The Richard B. Russell National School Lunch Act
6 (42 U.S.C. 1751 et seq.) (as amended by section 132) is
7 amended by adding at the end the following:

8 **“SEC. 29. GLEANING OF FRESH FRUITS AND VEGETABLES.**

9 “(a) IN GENERAL.—The Secretary shall make a
10 grant to a nongovernmental organization described in sub-
11 section (b) to establish and maintain a field gleaning oper-
12 ation in a State to encourage the consumption of fresh
13 fruits and vegetables.

14 “(b) NONGOVERNMENTAL ORGANIZATION.—The
15 nongovernmental organization referred to in subsection
16 (a) shall—

17 “(1) be selected by the Secretary; and

18 “(2) be a nonprofit organization that—

19 “(A) is an organization described in sec-
20 tion 501(c)(3) of the Internal Revenue Code of
21 1986 that is exempt from tax under section
22 501(a) of that Code;

23 “(B) is experienced in providing to needy
24 individuals fresh fruits and vegetables that
25 would otherwise go to waste;

1 “(C) is experienced in establishing and
2 maintaining a field gleaning network that co-
3 ordinates the efforts of volunteers, growers, and
4 distribution agencies to salvage food for needy
5 individuals in multiple States; and

6 “(D) agrees to provide to related organiza-
7 tions information regarding field gleaning oper-
8 ations.

9 “(c) FUNDING.—

10 “(1) IN GENERAL.—On October 1, 2004, and
11 on each October 1 thereafter through October 1,
12 2007, out of any funds in the Treasury not other-
13 wise appropriated, the Secretary of the Treasury
14 shall transfer to the Secretary of Agriculture to
15 carry out this section \$100,000, of which not more
16 than 25 percent of the amount made available from
17 each transfer may be expended in the fiscal year fol-
18 lowing the fiscal year of the transfer.

19 “(2) RECEIPT AND ACCEPTANCE.—The Sec-
20 retary shall be entitled to receive, shall accept, and
21 shall use to carry out this section the funds trans-
22 ferred under paragraph (1), without further appro-
23 priation.”.

1 **TITLE II—AMENDMENTS TO**
2 **CHILD NUTRITION ACT OF 1966**

3 **SEC. 201. SEVERE NEED ASSISTANCE.**

4 Section 4(d) of the Child Nutrition Act of 1966 (42
5 U.S.C. 1773(d)) is amended—

6 (1) in paragraph (1)(B)—

7 (A) by striking “which, during” and insert-
8 ing “which—

9 “(i) during”;

10 (B) by striking “, and in which” and all
11 that follows through “biennially.” and inserting
12 “; or”; and

13 (C) by adding at the end the following:

14 “(ii) in the case of a school in which
15 lunches were not served during the most recent
16 second preceding school year, the Secretary oth-
17 erwise determines that the requirements of
18 clause (i) would have been met.”; and

19 (2) in paragraph (2)—

20 (A) by striking “100 percent” and all that
21 follows through “food, or”; and

22 (B) by striking “, whichever is less”.

1 **SEC. 202. STATE ADMINISTRATIVE EXPENSES.**

2 (a) MINIMUM STATE ADMINISTRATIVE EXPENSE
3 GRANTS.—Section 7 of the Child Nutrition Act of 1966
4 (42 U.S.C. 1776) is amended—

5 (1) by striking the section heading and all that
6 follows through “(a)(1) Each” and inserting the fol-
7 lowing:

8 **“SEC. 7. STATE ADMINISTRATIVE EXPENSES.**

9 **“(a) AMOUNT AND ALLOCATION OF FUNDS.—**

10 **“(1) AMOUNT AVAILABLE.—**

11 **“(A) IN GENERAL.—**Except as provided in
12 subparagraph (B), each”;

13 **(2) in subsection (a)—**

14 **(A) in paragraph (1)—**

15 **(i) by inserting after the first sentence**
16 **the following:**

17 **“(B) MINIMUM AMOUNT.—**In the case of
18 each of fiscal years 2005 through 2007, the
19 Secretary shall make available to each State for
20 their administrative costs not less than the ini-
21 tial allocation made to the State under this sub-
22 section for fiscal year 2004.”;

23 **(ii) by striking “The Secretary” and**
24 **inserting the following:**

25 **“(C) ALLOCATION.—**The Secretary”; and

26 **(iii) by striking the last sentence; and**

1 (B) in paragraph (2)—

2 (i) by striking “(2) The” and insert-
3 ing the following:

4 “(2) EXPENSE GRANTS.—

5 “(A) IN GENERAL.—Subject to subpara-
6 graph (B), the”;

7 (ii) in the second sentence—

8 (I) by striking “In no case” and
9 inserting the following:

10 “(B) MINIMUM AMOUNT.—

11 “(i) IN GENERAL.—In no case”;

12 (II) by striking “this subsection”
13 and inserting “this paragraph”; and

14 (III) by striking “\$100,000” and
15 inserting “\$200,000 (as adjusted
16 under clause (ii)”;

17 (iii) by adding at the end the fol-
18 lowing:

19 “(ii) ADJUSTMENT.—On October 1,
20 2008, and each October 1 thereafter, the
21 minimum dollar amount for a fiscal year
22 specified in clause (i) shall be adjusted to
23 reflect the percentage change between—

24 “(I) the value of the index for
25 State and local government purchases,

1 as published by the Bureau of Eco-
2 nomic Analysis of the Department of
3 Commerce, for the 12-month period
4 ending June 30 of the second pre-
5 ceding fiscal year; and

6 “(II) the value of that index for
7 the 12-month period ending June 30
8 of the preceding fiscal year.”.

9 (b) TECHNOLOGY INFRASTRUCTURE IMPROVE-
10 MENT.—Section 7 of the Child Nutrition Act of 1966 (42
11 U.S.C. 1776) is amended by inserting after subsection (h)
12 (as added by section 129(c)(3)) the following:

13 “(i) TECHNOLOGY INFRASTRUCTURE IMPROVE-
14 MENT.—

15 “(1) IN GENERAL.—Each State shall submit to
16 the Secretary, for approval by the Secretary, an
17 amendment to the plan required by subsection (e)
18 that describes the manner in which funds provided
19 under this section will be used for technology and in-
20 formation management systems.

21 “(2) REQUIREMENTS.—The amendment shall,
22 at a minimum, describe the manner in which the
23 State will improve program integrity by—

24 “(A) monitoring the nutrient content of
25 meals served;

1 “(B) providing training to schools and
2 school food authorities on the use of technology
3 and information management systems for ac-
4 tivities such as—

5 “(i) menu planning;

6 “(ii) collection of point-of-sale data;

7 and

8 “(iii) the processing of applications
9 for free and reduced price meals; and

10 “(C) using electronic data to establish
11 benchmarks to compare and monitor program
12 integrity, program participation, and financial
13 data across schools and school food authorities.

14 “(3) TECHNOLOGY INFRASTRUCTURE
15 GRANTS.—

16 “(A) IN GENERAL.—Subject to the avail-
17 ability of appropriations to carry out this para-
18 graph, the Secretary shall, on a competitive
19 basis, provide funds to State educational agen-
20 cies to be used to provide grants to schools and
21 school food authorities to defray the cost of
22 purchasing or upgrading technology and infor-
23 mation management systems for use in pro-
24 grams authorized by this Act (other than sec-

1 tion 17) and the Richard B. Russell National
2 School Lunch Act (42 U.S.C. 1751 et seq.).

3 “(B) INFRASTRUCTURE DEVELOPMENT
4 PLAN.—To be eligible to receive a grant under
5 this paragraph, a school or school food author-
6 ity shall submit to the State educational agency
7 a plan to purchase or upgrade technology and
8 information management systems that address-
9 es potential cost savings and methods to im-
10 prove program integrity, including—

11 “(i) processing and verification of ap-
12 plications for free and reduced price meals;

13 “(ii) integration of menu planning,
14 production, and serving data to monitor
15 compliance with section 9(f)(1) of the
16 Richard B. Russell National School Lunch
17 Act (42 U.S.C. 1758(f)(1)); and

18 “(iii) compatibility with statewide re-
19 porting systems.

20 “(4) AUTHORIZATION OF APPROPRIATIONS.—
21 There are authorized to be appropriated to carry out
22 this subsection such sums as are necessary for each
23 of fiscal years 2005 through 2008, to remain avail-
24 able until expended.”.

1 (c) REAUTHORIZATION.—Subsection (j) of section 7
2 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) (as
3 redesignated by section 129(c)(2)) is amended by striking
4 “2003” and inserting “2008”.

5 **SEC. 203. WORLD FOOD PRIZE.**

6 Section 15 of the Child Nutrition Act of 1966 (42
7 U.S.C. 1784) is amended—

8 (1) by striking the section heading and “For
9 the purposes of this Act” and inserting the fol-
10 lowing:

11 **“SEC. 15. DEFINITIONS; MISCELLANEOUS PROVISIONS.**

12 “(a) DEFINITIONS.—In this Act:”; and

13 (2) by adding at the end the following:

14 “(b) WORLD FOOD PRIZE.—

15 “(1) IN GENERAL.—Subject to the availability
16 of appropriations, the Secretary shall provide assist-
17 ance for activities of the World Food Prize Founda-
18 tion, including—

19 “(A) acquisition or improvement of prop-
20 erty to serve as headquarters for the World
21 Food Prize Foundation;

22 “(B) support of research and outreach for
23 improving the quality, quantity, and availability
24 of food throughout the world; and

1 “(C) promotion of educational opportuni-
2 ties available to students through the World
3 Food Prize Youth Institute.

4 “(2) AUTHORIZATION OF APPROPRIATIONS.—
5 There are authorized to be appropriated such sums
6 as are necessary to carry out this subsection.”.

7 **SEC. 204. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM**
8 **FOR WOMEN, INFANTS, AND CHILDREN.**

9 (a) DEFINITIONS.—

10 (1) NUTRITION EDUCATION.—Section 17(b) of
11 the Child Nutrition Act of 1966 (42 U.S.C. 1786(b))
12 is amended by striking paragraph (7) and inserting
13 the following:

14 “(7) NUTRITION EDUCATION.—The term ‘nutri-
15 tion education’ means individual and group sessions
16 and the provision of materials that are designed to
17 improve health status and achieve positive change in
18 dietary and physical activity habits, and that empha-
19 size the relationship between nutrition, physical ac-
20 tivity, and health, all in keeping with the personal
21 and cultural preferences of the individual.”.

22 (2) SUPPLEMENTAL FOODS.—Section 17(b)(14)
23 of the Child Nutrition Act of 1966 (42 U.S.C.
24 1786(b)(14)) is amended in the first sentence by in-
25 serting after “children” the following: “and foods

1 that promote health as indicated in the most recent
2 Dietary Guidelines for Americans published under
3 section 301 of the National Nutrition Monitoring
4 and Related Research Act of 1990 (7 U.S.C.
5 5341)”.

6 (3) OTHER TERMS.—Section 17(b) of the Child
7 Nutrition Act of 1966 (42 U.S.C. 1786(b)) is
8 amended by adding at the end the following:

9 “(22) PRIMARY CONTRACT INFANT FORMULA.—
10 The term ‘primary contract infant formula’ means
11 the specific infant formula for which manufacturers
12 submit a bid to a State agency in response to a re-
13 bate solicitation under this section.

14 “(23) STATE ALLIANCE.—The term ‘State alli-
15 ance’ means 2 or more State agencies that join to-
16 gether for the purpose of procuring infant formula
17 under the program by soliciting competitive bids for
18 infant formula.”.

19 (b) ELIGIBILITY.—

20 (1) CERTIFICATION PERIOD.—Section 17(d)(3)
21 of the Child Nutrition Act of 1966 (42 U.S.C.
22 1786(d)(3)) is amended—

23 (A) by striking “(3)(A) Persons” and in-
24 serting the following:

25 “(3) CERTIFICATION.—

1 “(A) PROCEDURES.—

2 “(i) IN GENERAL.—Subject to clause

3 (ii), a person”; and

4 (B) by adding at the end the following:

5 “(ii) BREASTFEEDING WOMEN.—A

6 State may elect to certify a breastfeeding

7 woman for a period of 1 year postpartum

8 or until a woman discontinues

9 breastfeeding, whichever is earlier.”.

10 (2) PHYSICAL PRESENCE.—Section

11 17(d)(3)(C)(ii) of the Child Nutrition Act of 1966

12 (42 U.S.C. 1786(d)(3)(C)(ii)) is amended—

13 (A) in subclause (I)(bb), by striking “from

14 a provider other than the local agency; or” and

15 inserting a semicolon;

16 (B) in subclause (II), by striking the pe-

17 riod at the end and inserting “; and”; and

18 (C) by adding at the end the following:

19 “(III) an infant under 8 weeks of

20 age—

21 “(aa) who cannot be present

22 at certification for a reason de-

23 termined appropriate by the local

24 agency; and

1 “(bb) for whom all necessary
2 certification information is pro-
3 vided.”.

4 (c) ADMINISTRATION.—

5 (1) PROCESSING VENDOR APPLICATIONS; PAR-
6 TICIPANT ACCESS.—Section 17(f)(1)(C) of the Child
7 Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)) is
8 amended—

9 (A) in clause (i) by inserting “at any of
10 the authorized retail stores under the program”
11 after “the program”;

12 (B) by redesignating clauses (ii) through
13 (x) as clauses (iii) through (xi), respectively;
14 and

15 (C) by inserting after clause (i) the fol-
16 lowing:

17 “(ii) procedures for accepting and processing
18 vendor applications outside of the established time-
19 frames if the State agency determines there will be
20 inadequate access to the program, such as in a case
21 in which a previously authorized vendor sells a store
22 under circumstances that do not permit timely noti-
23 fication to the State agency of the change in owner-
24 ship;”.

1 (2) USE OF CLAIMS FROM LOCAL AGENCIES.—

2 Section 17(f)(21) of the Child Nutrition Act of 1966
3 (42 U.S.C. 1786(f)(21)) is amended—

4 (A) in the paragraph heading, by striking
5 “**vendors**” and inserting “**local agencies,**
6 **vendors,**”; and

7 (B) by striking “vendors” and inserting
8 “local agencies, vendors,”.

9 (3) INFANT FORMULA BENEFITS.—

10 (A) IN GENERAL.—Section 17(f) of the
11 Child Nutrition Act of 1966 (42 U.S.C.
12 1786(f)) is amended by adding at the end the
13 following:

14 “(25) INFANT FORMULA BENEFITS.—A State
15 agency may round up to the next whole can of infant
16 formula to allow all infants under the program to re-
17 ceive the full-authorized nutritional benefit specified
18 by regulation.”.

19 (B) APPLICABILITY.—The amendment
20 made by subparagraph (A) applies to infant
21 formula provided under a contract resulting
22 from a bid solicitation issued on or after Octo-
23 ber 1, 2004.

24 (4) NOTIFICATION OF VIOLATIONS.—Section
25 17(f) of the Child Nutrition Act of 1966 (42 U.S.C.

1 1786(f)) (as amended by paragraph (3)) is amended
2 by adding at the end the following:

3 “(26) NOTIFICATION OF VIOLATIONS.—If a
4 State agency finds that a vendor has committed a
5 violation that requires a pattern of occurrences in
6 order to impose a penalty or sanction, the State
7 agency shall notify the vendor of the initial violation
8 in writing, unless the State agency determines that
9 notifying the vendor would compromise an investiga-
10 tion.”.

11 (d) REAUTHORIZATION OF WIC PROGRAM.—Section
12 17(g) of the Child Nutrition Act of 1966 (42 U.S.C.
13 1786(g)) is amended by striking “(g)(1)” and all that fol-
14 lows through “As authorized” in paragraph (1) and insert-
15 ing the following:

16 “(g) AUTHORIZATION OF APPROPRIATIONS.—

17 “(1) IN GENERAL.—

18 “(A) AUTHORIZATION.—There are author-
19 ized to be appropriated to carry out this section
20 such sums as are necessary for each of fiscal
21 years 2004 through 2008.

22 “(B) ADVANCE APPROPRIATIONS; AVAIL-
23 ABILITY.—As authorized”.

24 (e) NUTRITION SERVICES AND ADMINISTRATION
25 FUNDS; COMPETITIVE BIDDING; RETAILERS.—

1 (1) IN GENERAL.—Section 17(h)(2)(A) of the
2 Child Nutrition Act of 1966 (42 U.S.C.
3 1786(h)(2)(A)) is amended by striking “For each of
4 the fiscal years 1995 through 2003, the” and insert-
5 ing “The”.

6 (2) HEALTHY PEOPLE 2010 INITIATIVE.—Sec-
7 tion 17(h)(4) of the Child Nutrition Act of 1966 (42
8 U.S.C. 1786(h)(4)) is amended—

9 (1) in subparagraph (D), by striking “; and”
10 and inserting a semicolon;

11 (2) in subparagraph (E), by striking the period
12 at the end and inserting “; and”; and

13 (3) by adding at the end the following:

14 “(F) partner with communities, State and
15 local agencies, employers, health care profes-
16 sionals, and other entities in the private sector
17 to build a supportive breastfeeding environment
18 for women participating in the program under
19 this section to support the breastfeeding goals
20 of the Healthy People 2010 initiative.”.

21 (3) SIZE OF STATE ALLIANCES.—Section
22 17(h)(8)(A) of the Child Nutrition Act of 1966 (42
23 U.S.C. 1786(h)(8)(A)) is amended by adding at the
24 end the following:

25 “(iv) SIZE OF STATE ALLIANCES.—

1 “(I) IN GENERAL.—Except as
2 provided in subclauses (II) through
3 (IV), no State alliance may exist
4 among States if the total number of
5 infants served by States participating
6 in the alliance as of October 1, 2003,
7 or such subsequent date determined
8 by the Secretary for which data is
9 available, would exceed 100,000.

10 “(II) ADDITION OF INFANT PAR-
11 TICIPANTS.—In the case of a State al-
12 liance that exists on the date of enact-
13 ment of this clause, the alliance may
14 continue and may expand to serve
15 more than 100,000 infants but, except
16 as provided in subclause (III), may
17 not expand to include any additional
18 State agency.

19 “(III) ADDITION OF SMALL
20 STATE AGENCIES AND INDIAN STATE
21 AGENCIES.—Any State alliance may
22 expand to include any State agency
23 that served less than 5,000 infant
24 participants as of October 1, 2003, or
25 such subsequent date determined by

1 the Secretary for which data is avail-
2 able, or any Indian State agency, if
3 the State agency requests to join the
4 State alliance.

5 “(IV) SECRETARIAL WAIVER.—
6 The Secretary may waive the require-
7 ments of this clause not earlier than
8 30 days after submitting to the Com-
9 mittee on Education and the Work-
10 force of the House of Representatives
11 and the Committee on Agriculture,
12 Nutrition, and Forestry of the Senate
13 a written report that describes the
14 cost-containment and competitive ben-
15 efits of the proposed waiver.”.

16 (4) PRIMARY CONTRACT INFANT FORMULA.—

17 (A) IN GENERAL.—Section 17(h)(8)(A) of
18 the Child Nutrition Act of 1966 (42 U.S.C.
19 1786(8)(A)) (as amended by paragraph (3)) is
20 amended—

21 (i) in clause (ii)(I), by striking “con-
22 tract brand of” and inserting “primary
23 contract”;

1 (ii) in clause (iii), by inserting “for a
2 primary contract infant formula” after
3 “lowest net price”; and

4 (iii) by adding the following at the
5 end:

6 “(v) FIRST CHOICE OF ISSUANCE.—
7 The State agency shall use the primary
8 contract infant formula as the first choice
9 of issuance (by formula type), with all
10 other infant formulas issued as an alter-
11 native to the primary contract infant for-
12 mula.”.

13 (B) APPLICABILITY.—The amendment
14 made by subparagraph (A)(iii) applies to a con-
15 tract resulting from a bid solicitation issued on
16 or after October 1, 2004.

17 (5) REBATE INVOICES.—Section 17(h)(8)(A) of
18 the Child Nutrition Act of 1966 (42 U.S.C.
19 1786(h)(8)(A)) (as amended by paragraph
20 (4)(A)(iii)) is amended by adding the following at
21 the end:

22 “(vi) REBATE INVOICES.—Each State
23 agency shall have a system to ensure that
24 infant formula rebate invoices, under com-
25 petitive bidding, provide a reasonable esti-

1 mate or an actual count of the number of
2 units sold to participants in the program
3 under this section.”.

4 (6) UNCOUPLING MILK AND SOY BIDS.—

5 (A) IN GENERAL.—Section 17(h)(8)(A) of
6 the Child Nutrition Act of 1966 (42 U.S.C.
7 1786(h)(8)(A)) (as amended by paragraph (5))
8 is amended by adding at the end the following:

9 “(vii) SEPARATE SOLICITATIONS.—In
10 soliciting bids for infant formula under a
11 competitive bidding system, any State
12 agency, or State alliance, that served under
13 the program a monthly average of more
14 than 100,000 infants during the preceding
15 12-month period shall solicit bids from in-
16 fant formula manufacturers under proce-
17 dures that require that bids for rebates or
18 discounts are solicited for milk-based and
19 soy-based infant formula separately.”.

20 (B) CONFORMING AMENDMENT.—Section
21 17(h)(8)(A)(ii) of the Child Nutrition Act of
22 1966 (42 U.S.C. 1786(h)(8)(A)(ii)) is amended
23 by striking “rise” and inserting “change”.

1 (C) APPLICABILITY.—The amendments
2 made by this paragraph apply to a bid solicita-
3 tion issued on or after October 1, 2004.

4 (7) CENT-FOR-CENT ADJUSTMENTS.—

5 (A) IN GENERAL.—Section 17(h)(8)(A) of
6 the Child Nutrition Act of 1966 (42 U.S.C.
7 1786(h)(8)(A)) (as amended by paragraph
8 (6)(A)) is amended by adding at the end the
9 following:

10 “(viii) CENT-FOR-CENT ADJUST-
11 MENTS.—A bid solicitation for infant for-
12 mula under the program shall require the
13 manufacturer to adjust for price changes
14 subsequent to the opening of the bidding
15 process in a manner that requires—

16 “(I) a cent-for-cent increase in
17 the rebate amounts if there is an in-
18 crease in the lowest national wholesale
19 price for a full truckload of the par-
20 ticular infant formula; and

21 “(II) a cent-for-cent decrease in
22 the rebate amounts if there is a de-
23 crease in the lowest national wholesale
24 price for a full truckload of the par-
25 ticular infant formula.”.

1 (B) APPLICABILITY.—The amendment
2 made by subparagraph (A) applies to a bid so-
3 licitation issued on or after October 1, 2004.

4 (8) LIST OF FOOD WHOLESALERS, DISTRIBUTU-
5 TORS, RETAILERS, AND INFANT FORMULA MANUFAC-
6 TURERS.—Section 17(h)(8)(A) of the Child Nutri-
7 tion Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as
8 amended by paragraph (7)) is amended by adding at
9 the end the following:

10 “(ix) LIST OF FOOD WHOLESALERS,
11 DISTRIBUTORS, RETAILERS, AND INFANT
12 FORMULA MANUFACTURERS.—The State
13 agency shall maintain a list of—

14 “(I) food wholesalers, distribu-
15 tors, and retailers licensed in the
16 State in accordance with State law
17 (including regulations); and

18 “(II) infant formula manufactur-
19 ers registered with the Food and
20 Drug Administration that provide in-
21 fant formula.

22 “(x) PURCHASE REQUIREMENT.—A
23 vendor authorized to participate in the pro-
24 gram under this section shall only pur-

1 chase infant formula from the list de-
2 scribed in clause (ix).”.

3 (9) FUNDS FOR INFRASTRUCTURE, MANAGE-
4 MENT INFORMATION SYSTEMS, AND SPECIAL NUTRI-
5 TION EDUCATION.—Section 17(h) of the Child Nu-
6 trition Act of 1966 (42 U.S.C. 1786(h)) is amended
7 by striking paragraph (10) and inserting the fol-
8 lowing:

9 “(10) FUNDS FOR INFRASTRUCTURE, MANAGE-
10 MENT INFORMATION SYSTEMS, AND SPECIAL NUTRI-
11 TION EDUCATION.—

12 “(A) IN GENERAL.—For each of fiscal
13 years 2005 through 2008, the Secretary shall
14 use for the purposes specified in subparagraph
15 (B), \$64,000,000 or the amount of nutrition
16 services and administration funds and supple-
17 mental food funds for the prior fiscal year that
18 have not been obligated, whichever is less.

19 “(B) PURPOSES.—Of the amount made
20 available under subparagraph (A) for a fiscal
21 year, not more than—

22 “(i) \$14,000,000 shall be used for—

23 “(I) infrastructure for the pro-
24 gram under this section;

1 “(II) special projects to promote
2 breastfeeding, including projects to
3 assess the effectiveness of particular
4 breastfeeding promotion strategies;
5 and

6 “(III) special State projects of
7 regional or national significance to
8 improve the services of the program;

9 “(ii) \$30,000,000 shall be used to es-
10 tablish, improve, or administer manage-
11 ment information systems for the program,
12 including changes necessary to meet new
13 legislative or regulatory requirements of
14 the program; and

15 “(iii) \$20,000,000 shall be used for
16 special nutrition education such as breast
17 feeding peer counselors and other related
18 activities.

19 “(C) PROPORTIONAL DISTRIBUTION.—In a
20 case in which less than \$64,000,000 is available
21 to carry out this paragraph, the Secretary shall
22 make a proportional distribution of funds allo-
23 cated under subparagraph (B).”.

24 (10) VENDOR COST CONTAINMENT.—Section
25 17(h) of the Child Nutrition Act of 1966 (42 U.S.C.

1 1786(h) is amended by striking paragraph (11) and
2 inserting the following:

3 “(11) VENDOR COST CONTAINMENT.—

4 “(A) PEER GROUPS.—The State agency of
5 a State shall—

6 “(i) establish a vendor peer group sys-
7 tem; and

8 “(ii) in accordance with subpara-
9 graphs (B) and (C), establish competitive
10 price criteria and allowable reimbursement
11 levels for each vendor peer group.

12 “(B) COMPETITIVE PRICING.—

13 “(i) IN GENERAL.—The State agency
14 shall establish competitive price criteria for
15 the selection of vendors for participation in
16 the program that—

17 “(I) ensure that the retail prices
18 charged by vendor applicants for the
19 program are competitive with the
20 prices charged by other vendors; and

21 “(II) consider—

22 “(aa) the shelf prices of the
23 vendor for all buyers; or

24 “(bb) the prices that the
25 vendor bid for supplemental

1 foods, which shall not exceed the
2 shelf prices of the vendor for all
3 buyers.

4 “(ii) PARTICIPANT ACCESS.—The
5 State agency shall ensure that the competi-
6 tive price criteria do not result in inad-
7 equate program participant access by geo-
8 graphic area.

9 “(iii) SUBSEQUENT PRICE IN-
10 CREASES.—The State agency shall estab-
11 lish procedures to ensure that a retail store
12 selected for participation in the program
13 does not, subsequent to selection, increase
14 prices to levels that would otherwise make
15 the store ineligible for participation in the
16 program.

17 “(C) ALLOWABLE REIMBURSEMENT LEV-
18 ELS.—

19 “(i) IN GENERAL.—The State agency
20 shall establish allowable reimbursement
21 levels for supplemental foods for each ven-
22 dor peer group that ensure—

23 “(I) that payments to vendors in
24 the vendor peer group reflect competi-
25 tive retail prices; and

1 “(II) that the State agency does
2 not reimburse a vendor for supple-
3 mental foods at a level that would
4 otherwise make the vendor ineligible
5 for authorization.

6 “(ii) PRICE FLUCTUATIONS.—The al-
7 lowable reimbursement levels may include
8 a factor to reflect fluctuations in wholesale
9 prices.

10 “(iii) PARTICIPANT ACCESS.—The
11 State agency shall ensure that the allow-
12 able reimbursement levels do not result in
13 inadequate program participant access in a
14 geographic area.

15 “(D) EXEMPTIONS.—The State agency
16 may exempt from competitive price criteria and
17 allowable reimbursement levels established
18 under this paragraph—

19 “(i) pharmacy vendors that supply
20 only exempt infant formula or medical
21 foods that are eligible under the program;
22 and

23 “(ii) vendors—

24 “(I)(aa) for which more than 50
25 percent of the annual revenue of the

1 vendor from the sale of food items
2 consists of revenue from the sale of
3 supplemental foods that are obtained
4 with food instruments; or

5 “(bb) who are new applicants
6 under criteria established by the Sec-
7 retary; and

8 “(II) that are nonprofit.

9 “(E) COST CONTAINMENT.—The State
10 agency shall demonstrate to the Secretary, and
11 the Secretary shall certify, that—

12 “(i) the competitive price criteria and
13 allowable reimbursement levels established
14 under this paragraph for vendors described
15 in subparagraph (D)(ii)(I) do not result in
16 higher food costs than if program partici-
17 pants redeemed supplemental food vouch-
18 ers at vendors other than vendors de-
19 scribed in subparagraph (D)(ii)(I); and

20 “(ii) vendor peer groups established
21 under subparagraph (A)(i) distinguish be-
22 tween vendors described in subparagraph
23 (D)(ii)(I) and other vendors.

24 “(F) IMPLEMENTATION.—A State agency
25 shall comply with this paragraph not later than

1 18 months after the date of enactment of this
2 paragraph.”.

3 (11) IMPOSITION OF COSTS ON RETAIL
4 STORES.—Section 17(h) of the Child Nutrition Act
5 of 1966 (42 U.S.C. 1786(h)) is amended by striking
6 paragraph (12) and inserting the following:

7 “(12) IMPOSITION OF COSTS ON RETAIL
8 STORES.—The Secretary may not impose, or allow a
9 State agency to impose, the costs of any equipment,
10 system, or processing required for electronic benefit
11 transfers on any retail store authorized to transact
12 food instruments, as a condition for authorization or
13 participation in the program.”.

14 (12) UNIVERSAL PRODUCT CODES DATABASE.—
15 Section 17(h) of the Child Nutrition Act of 1966 (42
16 U.S.C. 1786(h)) (as amended by paragraph (11)) is
17 amended by adding at the end the following:

18 “(13) UNIVERSAL PRODUCT CODES DATA-
19 BASE.—The Secretary shall—

20 “(A) establish a national universal product
21 code database for use by all State agencies in
22 carrying out the program; and

23 “(B) make available from appropriated
24 funds such sums as are required for hosting,

1 hardware and software configuration, and sup-
2 port of the database.”.

3 (13) INCENTIVE ITEMS.—Section 17(h) of the
4 Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) (as
5 amended by paragraph (12)) is amended by adding
6 at the end the following:

7 “(14) INCENTIVE ITEMS.—A State agency shall
8 not authorize or make payments to a vendor de-
9 scribed in paragraph (11)(D)(ii)(I) that provides in-
10 centive items or other free merchandise to program
11 participants unless the vendor provides to the State
12 agency proof that the vendor obtained the incentive
13 items or merchandise at no cost.”.

14 (f) SPEND FORWARD AUTHORITY.—Section
15 17(i)(3)(A)(ii)(I) of the Child Nutrition Act of 1966 (42
16 U.S.C. 1786(i)(3)(A)(ii)(I)) is amended by striking “1
17 percent” and inserting “3 percent”.

18 (g) MIGRANT AND COMMUNITY HEALTH CENTERS
19 INITIATIVE.—Section 17(j) of the Child Nutrition Act of
20 1966 (42 U.S.C. 1786(j)) is amended—

21 (1) by striking paragraph (4); and

22 (2) by redesignating paragraph (5) as para-
23 graph (4).

24 (h) FARMERS’ MARKET NUTRITION PROGRAM.—

1 (1) ROADSIDE STANDS.—Section 17(m)(1) of
2 the Child Nutrition Act of 1966 (42 U.S.C.
3 1786(m)(1)) is amended by inserting “and (at the
4 option of a State) roadside stands,” after “farmers’
5 markets”.

6 (2) MATCHING FUNDS.—Section 17(m)(3) of
7 the Child Nutrition Act of 1966 (42 U.S.C.
8 1786(m)(3)) is amended by striking “total” both
9 places it appears and inserting “administrative”.

10 (3) BENEFIT VALUE.—Section 17(m)(5)(C)(ii)
11 of the Child Nutrition Act of 1966 (42 U.S.C.
12 1786(m)(5)(C)(ii)) is amended by striking “\$20”
13 and inserting “\$30”.

14 (4) REAUTHORIZATION.—Section 17(m)(9)(A)
15 of the Child Nutrition Act of 1966 (42 U.S.C.
16 1786(m)(9)(A)) is amended by striking clause (i)
17 and inserting the following:

18 “(i) AUTHORIZATION OF APPROPRIA-
19 TIONS.—There are authorized to be appro-
20 priated to carry out this subsection such
21 sums as are necessary for each of fiscal
22 years 2004 through 2008.”.

23 (i) DEMONSTRATION PROJECT RELATING TO USE OF
24 WIC PROGRAM FOR IDENTIFICATION AND ENROLLMENT
25 OF CHILDREN IN CERTAIN HEALTH PROGRAMS.—Section

1 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786)
2 is amended by striking subsection (r).

3 (j) DEMONSTRATION PROJECT RELATING TO OFFER-
4 ING FRESH, FROZEN, OR CANNED FRUITS AND VEGETA-
5 BLES TO WIC PARTICIPANTS.—Section 17 of the Child
6 Nutrition Act of 1966 (42 U.S.C. 1786) (as amended by
7 subsection (i)) is amended by adding at the end the fol-
8 lowing:

9 “(r) DEMONSTRATION PROJECT RELATING TO OF-
10 FERING FRESH, FROZEN, OR CANNED FRUITS AND VEGE-
11 TABLES TO WIC PARTICIPANTS.—

12 “(1) IN GENERAL.—Subject to the availability
13 of appropriations to carry out this subsection, the
14 Secretary shall award grants for demonstration
15 projects involving not more than 5 local agencies to
16 not more than 5 State agencies to evaluate the feasi-
17 bility and acceptance of offering fresh, frozen, or
18 canned fruits and vegetables to participants in the
19 program established under this section.

20 “(2) LOCAL SITES.—In making grants under
21 this subsection, the Secretary shall ensure that State
22 agencies select sites determined to be geographically
23 and culturally representative of local and Indian
24 agencies.

1 “(3) ADDITIONAL FOOD.—The provision of
2 fruits and vegetables to program participants under
3 this subsection shall be in addition to the food pack-
4 age offered to the participants under other provi-
5 sions of this section and not in lieu of any food item
6 in the food package.

7 “(4) REPORT.—Not later than 1 year after
8 funds are first made available to carry out this sub-
9 section, the Secretary shall submit to the Committee
10 on Education and the Workforce of the House of
11 Representatives and the Committee on Agriculture,
12 Nutrition, and Forestry of the Senate a report that
13 describes the results of carrying out this subsection.

14 “(5) AUTHORIZATION OF APPROPRIATIONS.—
15 There are authorized to be appropriated such sums
16 as are necessary to carry out this subsection.

17 “(6) TERMINATION OF AUTHORITY.—The au-
18 thority provided by this subsection (other than para-
19 graph (4)) terminates September 30, 2005.”.

20 **SEC. 205. TEAM NUTRITION NETWORK.**

21 (a) TEAM NUTRITION NETWORK.—Section 19 of the
22 Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended
23 to read as follows:

1 **“SEC. 19. TEAM NUTRITION NETWORK.**

2 “(a) PURPOSES.—The purposes of the team nutrition
3 network are—

4 “(1) to promote the nutritional health of school
5 children of the United States through nutrition edu-
6 cation and the use of team nutrition messages and
7 materials developed by the Secretary, and to encour-
8 age physical activity and other activities that sup-
9 port healthy lifestyles for children, based on the
10 most recent Dietary Guidelines for Americans pub-
11 lished under section 301 of the National Nutrition
12 Monitoring and Related Research Act of 1990 (7
13 U.S.C. 5341);

14 “(2) to provide assistance to States for the de-
15 velopment of nutrition education and active living
16 programs in schools and facilities that participate in
17 child nutrition programs through the use of team
18 nutrition messages and materials developed by the
19 Secretary;

20 “(3) to provide training and technical assist-
21 ance to States, school and community nutrition pro-
22 grams, and child nutrition food service professionals;
23 and

24 “(4) to coordinate and collaborate with other
25 nutrition education and active living programs that
26 share similar goals and purposes.

1 “(b) DEFINITION OF TEAM NUTRITION NETWORK.—

2 In this section, the term ‘team nutrition network’ means
3 a multidisciplinary program to promote healthy eating to
4 children based on scientifically valid information and
5 sound educational, social, and marketing principles.

6 “(c) GRANTS.—

7 “(1) IN GENERAL.—Subject to the availability
8 of funds for use in carrying out this section, in addi-
9 tion to any other funds made available to the Sec-
10 retary for team nutrition purposes, the Secretary
11 may make grants to State agencies for each fiscal
12 year, in accordance with this section, to establish
13 team nutrition networks to promote nutrition edu-
14 cation through—

15 “(A) the use of team nutrition network
16 messages and materials developed by the Sec-
17 retary; and

18 “(B) the promotion of active lifestyles as
19 part of food service programs under this Act
20 and the Richard B. Russell National School
21 Lunch Act (42 U.S.C. 1751 et seq.).

22 “(2) FORM.—A portion of the grants provided
23 under this subsection may be in the form of competi-
24 tive grants.

1 “(3) FUNDS FROM NONGOVERNMENTAL
2 SOURCES.—In carrying out this subsection, the Sec-
3 retary may accept cash contributions from non-
4 governmental organizations made expressly to fur-
5 ther the purposes of this section, to be managed by
6 the Food and Nutrition Service, for use by the Sec-
7 retary and the States in carrying out this section.

8 “(d) ALLOCATION.—Subject to the availability of
9 funds for use in carrying out this section, the total amount
10 of funds made available for a fiscal year for grants under
11 this section shall equal not more than the sum of—

12 “(1) the product obtained by multiplying $\frac{1}{2}$
13 cent by the number of lunches reimbursed through
14 food service programs under the Richard B. Russell
15 National School Lunch Act (42 U.S.C. 1751 et seq.)
16 during the second preceding fiscal year in schools,
17 institutions, and service institutions that participate
18 in the food service programs; and

19 “(2) the total value of funds received by the
20 Secretary in support of this section from nongovern-
21 mental sources.

22 “(e) REQUIREMENTS FOR STATE PARTICIPATION.—
23 To be eligible to receive a grant under this section, a State
24 agency shall submit to the Secretary a plan that—

1 “(1) is subject to approval by the Secretary;
2 and

3 “(2) is submitted at such time and in such
4 manner, and that contains such information, as the
5 Secretary may require, including—

6 “(A) a description of the goals and pri-
7 mary healthy eating and physical activity mes-
8 sages of the proposed team nutrition network;

9 “(B) an analysis of the means by which
10 the State agency will use and disseminate the
11 team nutrition messages and materials devel-
12 oped by the Secretary;

13 “(C) an explanation of the ways in which
14 the State agency will use the funds from the
15 grant to promote healthy eating and physical
16 activity and fitness in schools throughout the
17 State;

18 “(D) a description of the ways in which
19 team nutrition network messages and materials
20 developed by the Secretary will be used to co-
21 ordinate nutrition and physical activities at the
22 State level with other health promotion and
23 education activities;

24 “(E) an annual summary of the team nu-
25 trition network activities;

1 “(F) a description of the ways in which the
2 total school environment will support healthy
3 eating and physical activity; and

4 “(G) a description of how all communica-
5 tions to parents and legal guardians of students
6 who are members of a household receiving or
7 applying for assistance under the program shall
8 be in an understandable and uniform format
9 and, to the extent practicable, in a language
10 that parents and legal guardians can under-
11 stand.

12 “(f) STATE COORDINATOR.—Each State that receives
13 a grant under this section shall appoint a team nutrition
14 network coordinator who shall—

15 “(1) administer and coordinate the team nutri-
16 tion network within and across schools, school food
17 authorities, and other child nutrition program pro-
18 viders in the State; and

19 “(2) coordinate activities of the Secretary, act-
20 ing through the Food and Nutrition Service, and
21 State agencies responsible for other children’s
22 health, education, and wellness programs to imple-
23 ment a comprehensive, coordinated team nutrition
24 network program.

1 “(g) AUTHORIZED ACTIVITIES.—A State agency that
2 receives a grant under this section may use funds from
3 the grant—

4 “(1)(A) to collect, analyze, and disseminate
5 data regarding the extent to which children and
6 youths in the State are overweight, physically inac-
7 tive, or otherwise suffering from nutrition-related de-
8 ficiencies or disease conditions; and

9 “(B) to identify the programs and services
10 available to meet those needs;

11 “(2) to implement model elementary and sec-
12 ondary education curricula using team nutrition net-
13 work messages and materials developed by the Sec-
14 retary to create a comprehensive, coordinated nutri-
15 tion and physical fitness awareness and obesity pre-
16 vention program;

17 “(3) to implement pilot projects in schools to
18 promote physical activity and to enhance the nutri-
19 tional status of students, including through the con-
20 sumption of fruits and vegetables, whole grains, lean
21 meats, and lowfat dairy products;

22 “(4) to improve access to local foods through
23 farm-to-cafeteria activities that may include the ac-
24 quisition of food and the provision of training and
25 education;

1 “(5) to implement State guidelines in health
2 (including nutrition education and physical edu-
3 cation guidelines) and to emphasize regular physical
4 activity during school hours;

5 “(6) to establish healthy eating and lifestyle
6 policies in schools that include standards for all food
7 served on school campuses; and

8 “(7) to provide training and technical assist-
9 ance to teachers and school food service profes-
10 sionals consistent with the purposes of this section.

11 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
12 are authorized to be appropriated such sums as are nec-
13 essary to carry out this section.”.

14 (b) CONFORMING AMENDMENT.—Section
15 21(c)(2)(E) of the Richard B. Russell National School
16 Lunch Act (42 U.S.C. 1769b–1(c)(2)(E)) is amended by
17 striking “, including” and all that follows through “1966”.

18 **SEC. 206. REVIEW OF BEST PRACTICES IN THE BREAKFAST**
19 **PROGRAM.**

20 (a) REVIEW.—

21 (1) IN GENERAL.—Subject to the availability of
22 funds, the Secretary of Agriculture shall enter into
23 an agreement with a research organization to collect
24 and disseminate a review of best practices to assist
25 school food authorities in addressing existing impedi-

1 ments at the State and local level that hinder the
2 growth of the school breakfast program under sec-
3 tion 4 of the Child Nutrition Act of 1966 (42 U.S.C.
4 1773).

5 (2) RECOMMENDATIONS.—The review shall de-
6 scribe model breakfast programs and offer rec-
7 ommendations for schools to overcome obstacles,
8 including—

9 (A) the length of the school day;

10 (B) bus schedules; and

11 (C) potential increases in costs at the
12 State and local level.

13 (b) DISSEMINATION.—Not later than 1 year after the
14 date of enactment of this Act, the Secretary shall—

15 (1) make the review required under subsection
16 (a) available to school food authorities via the Inter-
17 net, including recommendations to improve partici-
18 pation in the school breakfast program; and

19 (2) transmit to Committee on Education and
20 the Workforce of the House of Representatives and
21 the Committee on Agriculture, Nutrition, and For-
22 estry of the Senate a copy of the review.

1 **TITLE III—COMMODITY**
2 **DISTRIBUTION PROGRAMS**

3 **SEC. 301. COMMODITY DISTRIBUTION PROGRAMS.**

4 Section 15 of the Commodity Distribution Reform
5 Act and WIC Amendments of 1987 (7 U.S.C. 612c note;
6 Public Law 100–237) is amended by striking subsection
7 (e).

8 **TITLE IV—IMPLEMENTATION**

9 **SEC. 401. GUIDANCE AND REGULATIONS.**

10 (a) GUIDANCE.—As soon as practicable after the date
11 of enactment of this Act, the Secretary of Agriculture shall
12 issue guidance to implement the amendments made by sec-
13 tions 102, 104, 105, 106, 107, 110, 115, 117(c), 118,
14 129(b), 129(c), 204(a)(3), 204(b), 204(c)(4), 204(e)(3),
15 204(e)(5), 204(e)(6), 204(e)(7), 204(e)(10), and
16 204(h)(1).

17 (b) REGULATIONS.—Not later than 2 years after the
18 date of enactment of this Act, the Secretary shall promul-
19 gate final regulations to implement the amendments de-
20 scribed in subsection (a).

21 **SEC. 402. EFFECTIVE DATES.**

22 (a) IN GENERAL.—Except as provided in subsection
23 (b), this Act and the amendments made by this Act take
24 effect on the date of enactment of this Act.

25 (b) SPECIAL EFFECTIVE DATES.—

1 (1) JULY 1, 2004.—The amendments made by
2 sections 106, 107, 129(c), and 201 take effect on
3 July 1, 2004.

4 (2) OCTOBER 1, 2004.—The amendments made
5 by sections 117(c), 117(g), 202(a), 204(a), 204(b),
6 204(c)(1), 204(c)(4), 204(e)(4), 204(e)(5),
7 204(e)(6), 204(e)(7), 204(e)(8), 204(e)(9),
8 204(e)(10), 204(e)(13), 204(f), 204(h)(1), and
9 204(h)(2) take effect on October 1, 2004.

10 (3) JANUARY 1, 2005.—The amendments made
11 by sections 115(c)(1) and 115(c)(3) take effect on
12 January 1, 2005.

13 (4) JULY 1, 2005.—The amendments made by
14 sections 104, 105, 110, and 129(b) take effect on
15 July 1, 2005.